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World Reaction to U.S. Airdrop Plan Reported

AU2302153093 Paris AFP in English 1317 GMT 23 Feb 93

[Text] Paris, Feb 23 (AFP)—European military experts agreed Tuesday [23 February] that U.S. President Bill Clinton's plan to airdrop relief supplies to Bosnia is a difficult, high-risk operation that could escalate tensions if it goes wrong.

"The only feasible way would be to have all parties agree to a temporary ceasefire during the drops," a French military source said. "Otherwise, I can't really see it happening. It would be very risky."

"If the aircraft are attacked, you either have to suspend the operation while you negotiate, or retaliate and risk escalating the conflict," warned Andre du Moulin of Brussels' GRIP institute. "In the second case, existing land aid missions would also be vulnerable and would have to be suspended."

Retaliation, however, appeared unlikely to the French source.

"We are still at a stage where we are trying to accommodate the susceptibilities of all parties," he said. "So far, we even stop relatively simple airlifts to Sarajevo airport when the planes come under fire."

"There is no great enthusiasm for this at all," grumbled a defense official in London, where the Foreign Office said Britain would not take part.

"Such an operation ... will send a military signal and risk escalating the fighting," added Andrew Duncan of London's International Institute for Strategic Studies (IISS). "It is quite risky ... and the best proof of this is that it was risky enough up to now not to do it."

In Belgrade, the Foreign Ministry refused comment, but the daily VECERNJE NOVOSTI quoted Serbian diplomats as saying any attack on the U.S. planes would "provoke retaliatory measures and push the United States deeper into the war."

The operation, warned Milan Gvero, a Serbian military leader in Bosnia, "will inevitably lead to widespread armed conflict with immeasurable consequences."

Reaction in Sarajevo was predictably favorable, with presidential advisor Kemal Muftic calling the airdrops "the only solution, since the land convoys are not getting through."

But members of the U.N. force in the Bosnian capital had strong reservations, from its French commander, General Philippe Morillon on down.

"Every fighter who has an an anti-aircraft gun—and there are lots of them—will feel obliged to shoot at anything that flies," Morillon warned.

Another U.N. forces member in Bosnia, who asked not to be identified, called it "political posturing" and predicted "a one-off operation for media consumption" rather than a regular relief exercise.

In Paris, despite the reticence of the French military source, Foreign Ministry spokesman Daniel Bernard hailed the intiative, as "extremely positive," saying: "All action likely to reinforce ... humanitarian aid is welcome."

In Bonn, Foreign Minister Klaus Kinkel approved of the plan despite its "technically and militarily difficult nature," as did, in New York, U.N. Secretary General Butrus Butrus-Ghali, but on condition that the operation remain under U.N. control.

"Anything to get food in is worth trying," added a spokeswoman in Geneva for the U.N. High Commissioner for Refugees.

Even under the best conditions, experts said, airdrops are risky, inaccurate operations.

Duncan said that Bosnia, with its "very small targets in heavily protected mountainous areas" would render the three airdrop methods—by parachute from high altitude, by drops from low and slow-flying planes, or by helicopter—extremely difficult.

The first would be "not very efficient," he said, while the other two would render the aircraft ivolved "extremely vulnerable."

In Brussels, a C-130 Hercules navigation expert said: "If we were dropping from a height of 1,000 feet (300 meters), we considered we were doing well if the load reached within 400 meters (1,320 feet) of the target—we considered 50 metres a bull's eye. As you increase altitude, you lose accuracy.

"We measure with micrometres, mark with grease pencils, and cut with an axe," the expert said. "An airdrop in Bosnia would be possible, but I would be a little nervous about being a crew member."

If it decided to retaliate in case of ground attack, the IISS expert in London said, the United States would "need to have two or three fighter planes in the air for each cargo plane.

"The planes on U.S. aircraft carriers in the Adriatic... are not ideal for such patrol operations," he said.

"Saying you will do it is one thing, doing it is another," the French military source in Paris said, but added: "There is no reason to be negative—at the least they (the United States) are now moving on this, and that is progress."

Meciar Meets NATO Ambassadors in Brussels

LD2302204793 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1730 GMT 23 Feb 93

[Report by correspondent Michal Michalcik from Brussels]

[Excerpt] It was not by chance that Prime Minister Meciar chose the capital of Belgium for his first visit abroad. For instance, at a meeting with ambassadors of NATO member countries, he introduced our domestic and foreign policy, figuratively speaking, in 16 countries at the same time. Prime Minister Meciar explained to the ambassadors the essense of our military doctrine. We have enough military means to defend ourselves, but we do not intend to threaten anyone. We are striving for, if not to join, then at least to have closer ties with the Alliance. We are offering to NATO our military and technical potential, and our experience in this area. The NATO deputy secretary general and the ambassadors recommended to us to cooperate more closely within the Visegrad Four, as well as with the North Atlantic Council. [passage omitted]

Albanians Address UN Commission on Kosovo

AU1902143893 Tirana ATA in English 1117 GMT 19 Feb 93

[Text] Tirana, February 19 (ATA)—The 49th session of the UN Commission on the Human Rights continues its proceedings in Geneva from February 1. It is examining the situation of the human rights in former Yugoslavia. Albania is taking part in it as an observer.

The participants have unanimously denounced the grave human rights violations in Bosnia-Hercegovina, especially the ethnic cleansings, numerous killings and rapes committed especially on the Moslem women.

A special attention is being also devoted to the situation in Kosovo, bringing to the fore the continuous policy of discrimination towards the Albanian population, the growth of tension, and the threat of a possible conflict.

The representative of Albania supported the opinions of the participants on the situation in Bosnia-Hercegovina and denounced the brutal violations of the human and national rights of the Albanians in Kosovo, intensification of the policy of ethnic cleansing against them. Voicing Albania's worry over the threat of a possible conflict in Kosovo, he stressed the need of the presence of the UN troops there.

The session is expected to adopt a resolution which will denounce the human rights violations in former Yugoslavia.

The representative of Albania has demanded that the situation of the human rights in Kosovo be treated in the resolution separately and not in the context of the situation in Serbia.

Role of French Navy in Adriatic Assessed

93BA0589C Zagreb DANAS in Serbo-Croatian 5 Feb 93 p 16

[Article by Sinisa Tatalovic: "Who They Are Protecting, and Who They Are Threatening"]

[Text] *The arrival of French warships in the Adriatic raises the question of whether France is beginning to play the role of a "lone ranger" or a "regional policeman."*

The Free World's peaceful victory in the Cold War, in the opinion of Jacques Lanxade, chief of the combined Main Headquarters of the French Armed Forces, presents the allied armed forces with new challenges. "They have to be reorganized during a period of changes, on the basis of an assessment of a very unstable situation."

The current profound transformation of the French Armed Forces is unquestionably the most radical one since the war in Algeria. It began in a very unstable situation, and it is supposed to be completed by the end of the century. It is clear that France's latest action in the region of the former Yugoslavia, which began with the recent departure of warships from the port of Toulon for the Adriatic Sea, will be of paramount significance for the further transformation of the French Army, because of its possible consequences and experiences. Furthermore, this action, although its intentions are not yet entirely clear, is naturally supposed to show that France, as when it took the lead in sending the blue helmets to the area of the former Yugoslavia, wants to keep a dominant position in the Balkans and thus, as a permanent member of the UN Security Council, remain among the world's leading countries. In the opinions of some military analysts, Mitterrand is trying with Clinton what he did not succeed in with Bush—imposing France, and ruling out the United States, as the "world policeman" when Europe is involved; this would considerably strengthen his position before the elections, which are to be held in France in less than two months. Since the new U.S. Administration has not expressed a position on France's latest move, it is not clear whether France is beginning to play the role of a "lone ranger," already seen in 1966 after its departure from NATO, or the role of a "regional policemen" with the agreement of the United States.

The Same Budget

The arrival of French warships led by the aircraft carrier Clemenceau in the Adriatic is not coincidental, nor, as some observers think, caused by the recent death of two French members of UNPROFOR [UN Protection Force]. Their death only initiated the implementation of a plan of operation that was previously prepared for a long time in secret. Viewed in this context, it is not coincidental that some time ago the Republic of Croatia was visited by French Defense Minister Pierre Joxe, who is becoming increasingly well-known to the public, and a group of top military officers.

The imminent possibility of action by French rapid intervention forces in crisis areas was also planned as part of the transformation of the French armed forces that started with the adoption of the Armee 2000 plan. This led to France's surmounting the consequences of the poor economic situation in the country, which is one of the main limiting factors in transforming the French defense system and armed forces. Although the Armee 2000 plan provided at the beginning of the 1990's that the level of military expenditures would be reduced by 25 percent in 1997, with the French Navy and Air Force being most affected, so far the implementation of this has not yet started. The new assessments that followed the collapse of the former Yugoslavia and the USSR, which indicated the appearance of several crisis flashpoints in zones of French interest, led to a halt in the reduction of military expenditures. In that situation, in 1992 the French defense budget was affected less than expected in view of the financial situation in the country and the trend after the Cold War, which has led in many countries to a decline in military expenditures. The total defense budget of 195.2 million francs (about $35.4 million U.S.) for 1991 was retained in 1992 and projected for 1993. It has been announced that these funds will be used to finance all the important military projects that have been started, such as the Rafale fighter, the Leclerc tank, and the Charles de Gaulle nuclear aircraft carrier. That aircraft carrier, when it goes into operation in 1998, will be the pride of the French navy, armed with 80 Rafale ACM fighters and other types of the most modern weaponry.

Back in the beginning of the 1980's France, proceeding from its geostrategic assessments and the need to protect interests outside state territory, formed the Rapid Intervention Forces (FAR), which today number 47,000 soldiers and have a strong naval component located at the Toulon naval port. Consequently, Toulon is the home port for the Force di Action Navale, composed of the current aircraft carriers Clemenceau and Foch, nuclear and conventional submarines, and five antisubmarine frigates with accompanying support ships. The naval force command for the southeast (one of three naval force commands) is also located in that port, which is not a coincidence, since the grouping of those forces in Toulon apparently reflects the belief of French strategists and the military leadership that the main threat to French interests in the coming years will be from northern Africa, the Balkans, and the Middle East.

Crisis Clemenceau

The French sent eight ships to the Adriatic, including the "crisis" aircraft carrier Clemenceau, a participant in the Gulf war, two frigates for security (one antisubmarine frigate, the Georges Leyques, with a 230-member crew, and another for antiair defense); the transport ship Foudre, the patrol ship Destroyat, the tanker Marne, and two more support ships. There are about 3,600 soldiers and 40 aircraft and helicopters on them.

In order to be able to assume future actions from this composition of the French forces, it is important to recognize certain characteristics and capabilities of the ships and aircraft included in the force. Of course, the central place is occupied by the aircraft carrier Clemenceau, where the command post of Admiral Jean Wild is located. Wild is commander of these ships and probably of future operations as well. Clemenceau was begun in 1955, and launched in 1957, but only included in the fleet in 1961. The ship is traditional in design, 256 meters long, and 51.2 meters wide. It is driven by six steam boilers with a strength of 126,000 HP, up to a top speed of 32 knots, at which it can cross 3,500 nautical miles. During its service in the French Navy it has undergone various modernizations aimed at prolonging its service life. With the last modernization, which was carried out in 1988, its 100-mm cannons were removed and ship-to-air Crotale missile systems and new electronic warfare equipment were installed. It has two steam catapults and two cranes for aircraft. It can carry up to 40 aircraft, and it is currently carrying 24 Super Etendards (fighter-bombers), three Etendard IV Rs (reconnaissance planes), 10 Elysee (antisubmarine aircraft), and four Super Frelon SA-3216 helicopters; this gives it quite a solid basis for long-distance operations in the kind of conflicts being conducted in the region of the former Yugoslavia. In assault operations, the composition of the aircraft is fundamentally changed in favor of helicopters, as a result of which the possibility of assault operations should be ruled out for the time being. With its 40 aircraft the Clemenceau can successfully operate in actions to support forces on land and in the struggle against enemy ships, but its possibilities for fighter defense are substantially less than on U.S. aircraft carriers, as a result of the smaller number of aircraft (50 percent fewer), and their lower capabilities for fighter missions. They are therefore vulnerable to a mass attack by enemy aircraft from several directions at the same time. In this case, that shortcoming is compensated for by the addition of one anti-air frigate. Since it does not carry AWACS aircraft, they are also vulnerable to sudden attacks by low-flying aircraft, especially in the narrow seas of the above-mentioned coasts. For this reason, if possible air force aircraft are deployed to the closest air force base, their own or an ally's, for additional fighter support. In addition to the fleet, France is therefore also sending its Air Force to the zone of the conflict (to the NATO base in Rimini), 18 aircraft to start with: four defensive Mirage 2000 RDI's and four Jaguar bombers. If necessary members of the ground forces could also participate in the conflict, and consequently an FAR mountain division was recently placed on alert.

Who Will Start

The various electronic equipment for spotting targets in the air, on the surface, and on the ground, for guiding aircraft, controlling the aim of artillery, navigation, communications, and other requirements increases the Clemenceau's value in combat. It also has its weak side,

however, which is reflected, as with other similar ships, in the high concentration of equipment in a small area, which can be threatened by fire, underwater explosions, and missiles. The Super Etendard aircraft, which constitute the basis of that ship's air (attack) power, are intended for attacks against ships (with Exocet missiles) and ground targets (with laser-guided AS-301 missiles). Those missiles demonstrated exceptional effectiveness in the Gulf war, where they struck targets from a distance of 15 kilometers with a maximum deviation of a meter. This missile strikes the target at a speed of 1.4 Mach, with a combined effect: the steel casing of the warhead is extremely hard, and so in combination with its great speed, it breaks through all forms of defense and destroys the target with an explosion from within. In the Gulf war it successfully destroyed all its targets regardless of the type of defense. The same type of missile is also carried by the Jaguar and Mirage 2000. It is interesting that one Super Etendard in the Argentine Air Force struck and sank the British destroyer Sheffield during the war for the Falklands in 1982.

In view of their characteristics and armament, the French forces in the Adriatic can carry out various missions: intimidation and threats; the evacuation of French members of UNPROFOR; and military intervention if necessary. The French forces could carry out the first two missions independently, but in the event of the third (military intervention), they would have to do it together with allied, U.S., and British forces. One should not forget that the U.S. aircraft carrier J. F. Kennedy and the British aircraft carrier Ark Royal are already in the Adriatic with defensive and support ships. Spain, which has its own soldiers in UNPROFOR, is also preparing to send its sole aircraft carrier, Principe de Asturias R II, to the Adriatic.

If the UN Security Council approved military intervention, the French forces would probably start the operation. This conclusion is suggested by the facts that indicate the largest number and unenviable position of the French troops in UNPROFOR, which may give France the most reason to intervene first. It can be assumed that military intervention in the region of the former Yugoslavia could start with the Clemenceau, whose Super Etendard aircraft could use their missiles to attack the Serbian artillery positions from which the members of peacekeeping forces and the humanitarian aid convoys are being threatened. In the opinion of Western military analysts, this would be an act of legitimate defense, which could be repeated several times, and would be the preface to comprehensive military intervention in which the United States, Great Britain, Spain, and other allies would participate. The latest rejection of the Vance-Owen peace plan by the Serbs and Muslims and the shifting of the attempts to solve the problem to the Security Council are making the use of military force more and more definite. The potential participants are occupying their initial positions, and awaiting a signal from the Security Council, or new U.S. President Bill Clinton.

PHARE Meeting Discusses Energy Policy

AU2302190893 Bucharest ROMPRES in English 1805 GMT 23 Feb 93

[Text] Bucharest ROMPRES 23/2/1993—The PHARE [Economic Reconstruction Aid for Poland and Hungary] Regional Council for Energy Affairs concluded its proceedings Tuesday, 23 February, in Bucharest.

The meeting was attended by delegates from Poland, the Czech Republic, the Slovak Republic, Hungary, Bulgaria, Albania, Lithuania, Latvia, Estonia, Romania and a delegation of the European Community led by Jean Luc Delpeche.

Decisions on fundamental matters were made at the meeting on the interconnection of natural gas networks, the East-West power grid, the outline of two petroleum programmes, the energy policies in Central Europe and the inception of two new projects: One on saving and conservation of energy and the latter on nonpolluting use of solid fuels.

Romania is coordinator of the entire PHARE Programme for the Power System. This year's tranche for the programme is in the worth of 5 million ecu, which, if so required by the development of the project, is to be supplemented with another 2 million ecu.

Finance Experts Assess Central European Situation

AU2402142393 Prague CTK in English 1706 GMT 22 Feb 93

[Text] Prague Feb 22 (CTK)—Inflation in the former Czechoslovakia and Hungary reached some 12 percent in 1992, while Poland posted a yearly rate of 30 percent, according to Kalman Mizsei, director of the Economic Department of the Institute For East-West Studies.

The Institute was established after Czechoslovakia's 1989 Velvet Revolution and is headquartered in a castle at Stirin, outside of Prague. Mizsei told journalists today at the close of an international conference on financial reforms in Eastern Europe that the three countries had also achieved a positive balance of payments, internal currency convertibility and almost complete price liberalisation while attracting foreign investment.

State budgets remain points of concern for the countries of Central and Eastern Europe, Mizsei quoted experts at the conference as agreeing. According to World Bank experts, Hungary will not achieve a balanced budget until 1993 or 1994. Poland, which is expected to have a balanced budget following a cut in housing subsidies, is experiencing growth after the introduction of a value added tax. It will have to begin repaying its foreign debt in 1994, however, which is why it cannot afford any large internal deficits, said Jacek Rostowski, of London University.

According to him, the Czech Republic's per capita debt should rise from 25-35 percent to 35-40 percent, which is still far below Poland and Hungary's per capita debt of 65-70 percent.

One of the factors contributing to the success of the Czech and Slovak economy is the retention of low salaries and overall low cost outlays spent on the workforce. This has enabled the Czech and Slovak Republics to retain their competitiveness on world markets, he said.

Bank Official Says Slovakia Must Devalue Koruna

AU2302141093 Prague CTK in English 0746 GMT 22 Feb 93

[Excerpt] Prague Feb 22 (CTK)—[Passage omitted] In an interview with CESKY DENIK, Czech National Bank Vice Governor Pavel Kysilka gives his views on the future of Czech-Slovak trade relations. The trend for the future is clear, and our exporters to Slovakia should respect it. They will either have to look for secure, long-term relations in Slovakia, or try to lower their risk and diversify their market. Any producer who was significantly dependent on export to Slovakia should look around for another market, he says.

In evaluating the possible devaluation of the Slovak crown, Kysilka says that if Slovakia is to continue its economic reform and maintain internal convertibility and the customs union with the Czech Republic, it must devalue its currency.

If the Slovak crown is not devalued, Kysilka says, it could mean that Slovakia has found another way to place imports at a disadvantage and exports at an advantage. If Slovakia does not devalue its crown, it could also mean that it intends to limit internal convertibility. Both these signals, external and internal, could mean the end of reforms there, he states.

Kysilka tells CESKY DENIK that the highest priority of the Czech National Bank this year is to maintain a stable rate of exchange of the crown against freely convertible currencies. Kysilka says that this is a completely realistic expectation, and that neither a devaluation nor a revaluation of the Czech crown is under consideration. He expresses the conviction that the Czech crown will be freely convertible within six to seven years. [passage omitted]

Berisha Praises Clinton Decision on Aid Airdrop

AU2502091493 Tirana ATA in English 0905 GMT 25 Feb 93

[Text] Tirana, February 24 (ATA)—The press and information office of the president reports that on February 23 in the afternoon, President Berisha received the U.S. ambassador to Tirana, Mr. Ryerson. The latter informed President Berisha of the decision of President Clinton to parachute humanitarian aid for the Bosnian population.

In this meeting, President Berisha hailed the decision of President Clinton to parachute humanitarian aid for the Bosnian popuiation sieged by Serbian armed forces. This is a significant humanitarian act, which will rescue from death innocent people. It also is a serious warning for the aggressor, who uses hunger as a means to exterminate people. Through this political decision, the U.S. makes possible the strict adherence to the UN resolutions. Such an undertaking will also influence to the good functioning of the land channels of aid.

President Berisha expressed his satisfaction for the increasing concern of the United States in its efforts to find a solution to the questions of Bosnia-Hercegovina. He hopes that the problem of Kosova will soon be on the agenda of the international community in its efforts in this regard.

Greek Ambassador Briefs Korce Citizens on Policy

AU2402192593 Tirana ATA in English 1133 GMT 24 Feb 93

[Text] Tirana, February 24 (ATA)—The ambassador of the Republic of Greece to Tirana, Mr. Tsalikis, visited Korce recently. A meeting was organized on the occasion of this visit between the ambassador and representatives of intelligentsia, trade, different religions, specialists, and others. During the meeting, the ambassador spoke on the foreign policy of Greece, the Greek-Albanian relations, and their very good perspectives.

Besides Korce, Mr. Tsalikis visited also Voskopoje and its historical monuments.

Serreqi, Afezolli See China Visit as 'Fruitful'

AU2002172293 Tirana ATA in English 1117 GMT 20 Feb 93

["Perspective and New Mentality in the Albanian-Chinese Relations"—From the Interview of Mr. Serreqi and Mr. Afezolli With the XINHUA Correspondent in Tirana—ATA headline]

[Text] Tirana, February 20 (ATA)—After the return home from a several day visit in China, the Minister of Foreign Affairs Alfred Serreqi and the Vice Minister of Foreign Trade and Economic Relations Naske Afezolli had interviews with the XINHUA correspondent in Tirana about the Albanian-Chinese relations. Mr. Serreqi said among others that after a long period of complete interruption of Albanian-Chinese relations, the visit created once more the possibility for a fruitful cooperation and of interest for both parties based on mutual interest, noninterference in the home affairs. The government members and other state structures should carry further the possibilities this visit opened in the Albanian-Chinese cooperation in the interest of both parties, especially of Albania in this period of profound reforms and transformations.

Mr. Afezolli said that the two agreements they signed there were reached in a spirit of understanding and the legal basis for a new climate in the relations between China and Albania was formed.

Meksi, Serreqi Receive Vatican Emissary

AU2402184893 Tirana ATA in English 0915 GMT 24 Feb 93

[Text] Tirana, February 24 (ATA)—On February 23 before noon, Premier Aleksander Meksi met Cardinal Joseph Tomco on a visit to Albania to precede the visit of Pope Paul II in Albania. Attending were Albanian Foreign Minister Serreqi and the ambassador of the Vatican in Tirana, My Lord Ivan Dias. Cardinal Tomco expressed the gratitude for the reception extended in Shkoder and the meetings with different political personalities. He was impressed particularly by the harmonious coexistence among the believers of different faiths. This shows that your people is wonderful and said that you are an example to the coexistence of religions.

Premier Meksi thanked Mr. Joseph for the visit and his presence in the inauguration of the Holy Altar in Shkoder, a present of Pope Giovani Paul II. Further developing the idea of coexistence of different faiths, Meksi concentrated on the good traditions of this fraternal coexistence. He assured the Cardinal that the government will spare no efforts to create as favourable conditions as possible to the clergies so that they can carry out their noble mission.

The two interlocutors upheld that the near visit of His Majesty Pope Paul II will be a memorable event to all the Albanian believers and people. They also dwelt on the problems of the Balkans and upheld the same view to stop the conflict and find a peaceful solution for the national minorities and the other peoples. The cardinal took interest particularly in the economic state of Albania. He said that Albania will soon come out of crisis owing to its great potential of development, said he.

Zhelev Departs on Official Visit to Poland

AU2402193693 Sofia BTA in English 1721 GMT 24 Feb 93

[Text] Sofia, February 24 (BTA)—We should make use of our old ties under the new economic conditions and according to the new market principles to develop our relations, Bulgarian President Zhelyu Zhelev told a BTA reporter today before leaving on an official visit to Poland. We should not carelessly give up our old ties because the West will not cover our path to Europe with a carpet, he said commenting on the promotion of Bulgarian-Polish relations. Dr. Zhelev expressed his hope for resolving the problem with Bulgaria's deficit in trade with Poland which is an obstacle to the advancement of the two countries' business relations.

A treaty of friendship and cooperation and three agreements—on the avoidance of double taxation, on the reciprocal protection of investments and on the expansion of trade, economic and cultural cooperation— are expected to be signed during President Zhelev's visit to Poland.

Bikov, Pakistani Minister Discuss Projects

AU2502103493 Sofia Khorizont Radio Network in Bulgarian 1000 GMT 25 Feb 93

[Text] A ray of hope for the military-industrial complex—this is how Minister Bikov described his meeting with Mir Hazar Khan Bijarani, Pakistani minister of defense production, who is visiting Bulgaria. They discussed specific projects of joint military industry engineering, technical cooperation in military production, and direct trade deals in the spheres of electronics, light, and heavy weapons.

Knesset Speaker Meets Assembly Chairman, Berov

AU2402184193 Sofia BTA in English 1449 GMT 24 Feb 93

[Text] Sofia, February 24 (BTA)—The upgrading of Bulgarian-Israeli relations to a higher level was the centrepiece of talks held today between Chairman of the Bulgarian National Assembly Mr. Aleksandur Yordanov and Speaker of the Israeli Knesset Prof. Sheva Weiss. Prof. Weiss is here for the observances of the 50th anniversary of the deliverance of Bulgarian Jews.

Mr. Yordanov said after the session that the sides had found with satisfaction that there are numerous initiatives for the enhancement of economic and trade contacts. Mr. Weiss told his host that there are opportunities for private Israeli investment in Bulgarian agriculture and tourism and that he had personally undertaken to assist the promotion of these processes. The two heads of parliament considered prospects for wider cooperation in other areas of public and political life and in culture. Mr. Yordanov said that Prof. Weiss, who is an expert in political science, had showed marked interest in the specifics of the Bulgarian transition to democracy and shared his ideas and views of this intricate process.

Analyzing the situation in the Balkans, the sides noted that the war in the former Yugoslavia is raising a psychological barrier to the willingness of many countries to invest in Bulgaria.

The speaker of the Knesset invited Mr. Yordanov to visit Israel in the coming months.

Later in the day, Mr. Yordanov and Prof. Weiss opened an exhibition of paintings by Bulgarian artist Gredi Assa at the MP's club.

Prime Minister Prof. Lyuben Berov conferred this morning with Speaker of the Israeli Knesset Prof. Sheva Weiss.

They focused on the need to pay special attention to the need of an early signing of agreements on investment promotion and protection and on the avoidance of double taxation. They agreed that no opportunity should be missed for businessmen and private entrepreneurs of both countries to be guaranteed wider contacts.

Attends Commemorative Assembly Session

AU2402212393 Sofia BTA in English 1850 GMT 24 Feb 93

[Text] Sofia, February 24 (BTA)—The Bulgarian National Assembly today held a special commemorative sitting to mark the 50th anniversary of the deliverance of Bulgarian Jews and to pay tribute to the Jews from Vardar Macedonia and Western Thrace who died in Nazi death camps. The sitting was part of a series of observances on the occasion. Parliament was addressed by President Zhelyu Zhelev of Bulgaria and the speaker of the Israeli Knesset, Prof. Sheva Weiss. Prime Minister Lyuben Berov attended the sitting.

"The Bulgarians, Jews, Turks, Armenians, Bulgarian Mohammedans and Gypsies who are present here today formed a steering committee for these observances, inspired by the idea of the Bulgarian Jews to make the event which is marked today a symbol of tolerance and rejection of confrontation, extremism, national egoism and animosity," President Zhelev stressed. "We want to demonstrate that the Bulgarian people is alien to xenophobia [words indistinct], we want to reaffirm our position that only by earnest cooperation and concord with everybody in this country, we could counter any attempt at tyranny and dictatorship or involvement of this country into a perilous venture," Dr. Zhelev said.

In his introductory speech today, National Assembly chairman Aleksandur Yordanov pointed out that the resistance of the Bulgarian public had foiled the attempts to adopt discrimination and anti-Semitic repressions as a state policy. He stressed the role of the Bulgarian MP's and the Bulgarian Orthodox Church who declared themselves against the policy of repressions in March 1943. According to him, the weaker influence which Bulgarian

political and public circles had on Macedonia and Western Thrace, then occupied by Bulgarian troops, made it impossible to save the 11,000 Jews there, who were deported and died in the Holocaust.

"The fate of Bulgarian Jews could teach the Bulgarian people a good lesson: Foreign domination and infringement of the democratic rights and freedoms have always bred misfortune, this is what happened in the early 1940's, this is what happened during the post-war communist and totalitarian regime when thousands of innocent people died and some of those, who had once saved the Jews, were killed without charge or trial," Mr. Yordanov stressed.

He said that the tragedy of the Jews during World War II had a contemporary ramification: Mankind has still not broken with racial intolerance, chauvinism and xenophobia. The world is horrified at the mass human right abuses in the territory of the former Yugoslavia, the National Assembly chairman said, and added that racist and xenophobic movements were reemerging in some of the European democracies which threatened the human rights and impaired the fundamental values of democracy.

"The Bulgarian people has every reason to be proud of its own courage to save 49,000 Bulgarian Jews from the Nazi genocide and to mourn the 11,363 innocent victims from Western Thrace and Macedonia, who could have been saved, too, had Bulgaria overcome the pressure exerted by Nazi Germany and the internal pro-fascist forces," President Zhelev said in his speech today.

An indirect dispute broke out over the role of King Boris III in the deliverance of the Bulgarian Jews between the floor leader of the Bulgarian Socialist (former Communist) Party (BSP), Mrs. Nora Ananieva, and Mr. Stefan Savov, leader of the Democratic Party affiliated to the Union of Democratic Forces (SDS). Mrs. Ananieva pointed out that the anti-Semitic Defence of the Nation Act, which the Bulgarian Parliament passed in 1941, was signed by King Boris III. Mr. Stefan Savov said that there had been much controversy in Bulgaria over who had saved the Bulgarian Jews but no one could deny the role of King Boris III in the deliverance of Bulgarian Jews. Mr. Savov's observation was greeted with applause from the SDS MP's.

The spokesman for the ethnic Turks' Movement for Rights and Freedoms, Mr. Ivan Palchev, stressed that the Bulgarian people, who saved its Jews 50 years ago, should take credit for the civilized solution of the ethnic problem now.

The speaker of the Israeli Knesset, Prof. Sheva Weiss, expressed his gratitude to the Bulgarian people.

The MP's heard congratulatory telegrams from international Jewish organizations, the chairman of the Israel-Bulgaria Friendship Association, Mr. Yosif Rosenfeld, and the Bulgarian-born wife of the former Israeli prime minister, Mrs. Shulamit Shamir.

Assembly Dismisses Television Chief Agov

AU2502080793 Sofia BTA in English 2031 GMT 24 Feb 93

[Text] Sofia, February 24 (BTA)—After heated debates, today the National Assembly dismissed Mr. Asen Agov as director general of the Bulgarian National Television. The motion for his dismissal was made in November last year by a group of MP's gravitating to ex-Deputy Prime Minister Dimitur Ludzhev's circle that later split from the faction of the Union of Democratic Forces [SDS]. The dismissal motion was supported by the MP's of the Bulgarian Socialist, formerly Communist, Party and of the ethnic Turks' Movement for Rights and Freedoms. Taking the floor, the SDS MP's protested strongly against Mr. Agov's dismissal.

Mr. Asen Agov, nominated by the SDS MP's, was elected director general of the National Television by parliament in April last year.

During the debates the Socialists said that Mr. Agov had acted in violation of the provisional rules regulating the activity of the mass media making biased statements in which he sided with the SDS. Separate television programmes were also criticized.

Mr. Aleksandur Yordanov took the floor for the first time since his election as chairman of the National Assembly. He underlined that the replacement of the National Television director general was a problem of political character but it involved professionalism too, reminding that Mr. Agov is the first chief in the history of Bulgarian Television who, having worked at it, was promoted to this senior position instead of enforcing his appointment from the outside.

Mrs. Neri Terzieva, the director of Efir 2 (Channel 2) of the National Television, said on the Bulgarian National Radio that the replacement of Mr. Agov was forced upon parliament in anticipation of early elections. Television is the most influential of all mass media and, as there are no private TV broadcasters in Bulgaria yet, the National Television is the sole institution of this kind here. Until a new chief is elected, the deputy director general, Mrs. Militsa Traykova, will be acting director general of the Bulgarian National Television.

National Security Adviser Views Defense Issues

AU2502103593 Sofia TRUD in Bulgarian 18 Feb 93 pp 1, 5

[Interview with General Stoyan Andreev, "adviser to the president on national security issues," by Todor Lipanov; date and place not given: "Foreign Intelligence Services Peek at Our Army, Our Military Industry Is Open for All To See"]

[Text] [Lipanov] It has been said at the National Assembly Commission on National Security that Bulgaria is capable of waging a 45-minute war. Does this mean that we could defeat any enemy within 30 minutes, or something else?

[Andreev] We are able to repel large-scale military provocations. I view the aforementioned statement first of all as an attempt to sound the alarm and stress that it is necessary to devote more resources and attention to the Army. The level of malfunctioning in certain kinds of equipment is as much as 30 percent because of the lack of spare parts and specific fuels. Anyway, our equipment is incomplete. This is very alarming, because the military balance between Bulgaria and other Balkan countries is disastrously unfavorable to us. In certain kinds of military equipment the ratio is 27-30 to 1. We must redress this.

[Lipanov] What must we do first?

[Andreev] The introduction of qualitatively new types of weapons is an urgent matter. For many years no resources were allocated to modernizing the Army. Improving relations with the neighboring Balkan states and entering military-political and defensive European structures provides more guarantees for our security. However, we must also have our own guarantees of Bulgaria's security system, because a cruel war is being conducted in the Balkans near our border.

[Lipanov] Do you think that there is a danger of this war crossing our border?

[Andreev] There is a potential possibility of a new Balkan war. I am not the only one who says this. I have heard a similar assessment from politicians and leaders of various countries, including Bush and Clinton. Jacques Delors, chairman of the EC Commission, said yesterday that a war will erupt in the Balkans within two months. Without creating hysteria we must take the danger into account. This requires a responsible attitude not only on the part of the military, but also on the part of the politicians. We must first of all protect Bulgaria and only then think about who and how it must be governed. The National Security Council, led by the president, the Ministry of Defense, and the General Staff are adopting measures aimed at preventing any surprise....

[Lipanov] Certain people saw the visit of Defense Minister Valentin Aleksandrov to Russia last week as a step toward returning Bulgaria to the sphere of Russian influence. Is this so?

[Andreev] This is another insinuation and it comes from people who do not have even the slightest responsibility for Bulgaria's security and fate. Furthermore, they have no political influence. However, 100 percent of our weapons are made in Russia or produced in Bulgaria on the basis of a Russian license. How are we supposed to maintain our Army's equipment and ensure the supply of ammunition, spare parts, and fuels? We have no chance of purchasing modern Western weapons. Huge financial resources and time are needed for this. At present we need a combat-ready Army. If someone could give me 70-100 billion dollars, I would be more than happy to go to the West and purchase the most modern tanks. The Leclerc French tanks cost $10-12 million each, and the U.S. Abrams tanks—$5-7 million each. However, since we are not getting a single cent from anyone, we must take reality into account. Russia continues to be a military superpower and in certain areas it has no competition. The Smerch and Uragan salvo-fire artillery systems have no Western equivalent. They have an exceptional strike ability—after the strike not a blade of grass remains on a territory of 66 hectares. We could guarantee our entire western border with three or four such complexes. It was declared in Russia that we could receive those systems, naturally, in exchange for an equivalent payment, but with extremely favorable economic conditions.

[Lipanov] Barter deals were mentioned in the first instance. They also were approved by Vice President Rutskoy. Are such deals the most favorable ones for us?

[Andreev] Unquestionably. The barter scheme was actually proposed by Rutskoy and his experts. It is acceptable to us. A working group on implementing eventual deals has already been formed at the Ministry of Defense. Its members will probably accompany Deputy Prime Minister Karabashev on his visit to the Commonwealth of Independent States in an attempt to expedite matters. The idea behind the new scheme is to effect a large-scale deal, for example, to export 100,000 bottles of champagne and import spare parts or 5,000 tonnes of aircraft fuel. We are trying to specify an annual program, namely, to plan our needs, and simultaneously make a list of what we could offer. Thus we could not only market the production that is overflowing in our warehouses, but also guarantee constant employment for those companies and producers of ours that are participating in the barter. I think that companies in the two countries dream about such orders, because they are guaranteed by the state.

[Lipanov] We were much criticized by Europe and the United States for allowing the Serbian tankers carrying fuel to sail along the Danube in violation of the Serbian embargo. Would opening fire against them have been the best reaction?

[Andreev] There are international and European criteria and interests, but in this case I place Bulgarian interests in first place. Perhaps our reaction was inadequate in the complex sense, but it was a prudent one. A different reaction would have had much graver consequences. The United Nations adopted wonderful decisions and did nothing to guarantee their implementation. Bulgaria cannot act in such an explosive situation without preliminary coordination with the United Nations, NATO, and our neighbors. Well, we could stop the tankers by force, but I do not think that at present the Balkans are ready for such a reaction.

A superpower such as the United States did not begin military actions alone even against such an exhausted enemy as Iraq. It requested not only the agreement, but also the participation of France, England, and certain Arab states. This case was very indicative as to what small states should do. It is obvious that the functions of the all-European and regional international structures should be enhanced, so that they rapidly react in such cases. It is impossible to place the entire responsibility on a single country, such as Bulgaria, and put us in a delicate situation. It is precisely the regional international structures that should effect the embargo on goods, raw materials, and weapons.... If the present situation to the west of Bulgaria is brought under control, I am sure that such a system of guaranteeing security could be established.

[Lipanov] There are signs that foreign intelligence services have increased their interest in our Army and are attempting to recruit Bulgarian officers. For how long will our Army be a domain that is open to all?

[Andreev] Dissolving the structures of the military intelligence was a capital mistake. I was the first to oppose this decisively. I support stripping such a structure of its political functions, but throughout the world there is not a stable state without such an organ. The foreign intelligence services really began to behave arrogantly on our territory after the crashing blow was inflicted on our military intelligence. Our military units are being subjected to spying, and I have information that foreign intelligence members are even entering our military enterprises and obtaining secret information. In some cases they have been assisted by state employees, for which our accommodating people have certainly been paid. Technological military and economic secrets are being exported on a large scale. I cannot understand how it is possible to have such an attitude toward our state's interests. The structures of military intelligence must be restored as soon as possible in the same modern variant that has nothing to do with totalitarian political repression, but which is aimed at protecting the country's interests and security in a very professional manner.

Podkrepa Declaration on Fuel Price Hike

AU2502143293 Sofia PODKREPA in Bulgarian 17 Feb 93 p 1

[Podkrepa Labor Confederation "Declaration in Connection With Fuel Price Increase"; place and date of issue not given]

[Text] Noting the circumstance that the decision on increasing the price of fuels was adopted without the knowledge of the trade unions and without coordinating with them, thus placing the trade union in front of an accomplished fact,

Noting with concern that this price increase is not connected with a system of compensation measures,

Noting that the decision will lead to increasing the prices of most goods, something that will place large social groups in an even graver situation,

The Executive Council of the Podkrepa Labor Confederation proposes to the Government of the Republic of Bulgaria:

1. To delay the implementation of the decision until an adequate mechanism on compensating the population's income is agreed upon.

2. To coordinate in the future such a decision of national importance with the social partners and to seek together with them ways and means of decreasing social tension.

Dr. Konstantin Trenchev, for the Podkrepa Labor Confederation Executive Council.

KNSB Denounces Hike

AU2502100793 Sofia TRUD in Bulgarian 16 Feb 93 p 1

["Declaration of the Confederation of Independent Trade Unions in Bulgaria [KNSB] Executive Committee on Fuel Price Increase"; place and date not given]

[Text] The manner in which the government adopted and published its decision to sharply increase fuel prices by 50 percent is absolutely unacceptable for the independent trade unions:

—The principles of social partnership, and more specifically, Article 3 of the Labor Code, have been violated;

—The chain effect of increasing fuel prices on the prices of other goods and services, and the scope of the population's compensation were not simultaneously published with the decision on the fuel price increases;

—The explanation for the need of the new price shock is not convincing. A real danger of provoking a superinflation exists.

Because of all this, the Confederation of Independent Trade Unions in Bulgaria [KNSB] considers the credit of confidence it gave Mr. Berov's cabinet exhausted and insists on holding an immediate meeting with responsible representatives of the government. At this meeting, the KNSB will propose its draft on a 100-percent compensation connected with increasing the fuel price.

Dyba, U.S. Officials View Central Europe Issues

AU2402141993 Prague CTK in English 0715 GMT 23 Feb 93

[Text] Washington, Feb 23 (CTK)—Czech Economics Minister Karel Dyba, currently visiting the United States, was today the first Czech cabinet member to meet leading officials of the new U.S. administration of President Bill Clinton.

He told CTK that Laura Tyson, chairwoman of the president's Council of Economic Advisers, and Larry Summers, assistant finance secretary for foreign affairs, assured him that Central Europe would not be neglected by the new administration.

Both praised the method of transformation of the Czech economy and political system, Dyba said. He added that all U.S. officials with whom he had met appreciated the peaceful character of Czechoslovakia's split.

Dyba told the U.S. officials that Russia owed the Czech Republic and other East European countries big amounts, and supported the idea that U.S. aid to Russia be conditioned on the repayment of the debt to the countries which badly need the money.

Dyba also held talks with representatives of the World Bank on credits for the Czech Energy Utilities (CEZ) which would be spent mainly on desulphurisation technology for North Bohemian thermal power plants, and on a loan for the modernisation of telecommunications.

Dyba: U.S. Should Increase Investment

AU2402141893 Prague CTK in English 2109 GMT 22 Feb 93

[Text] Washington, Feb 22 (CTK correspondent)—Czech Economics Minister Karel Dyba today told CTK that the Czech Republic and the United States were interested in cooperation, but stressed that the U.S. should increase its investment.

On a working visit to the United States since Thursday [18 February], Dyba today met with Robert Hutchings, U.S. State Department coordinator of aid to East and Central Europe.

He also met with Richard Baird, head of the State Department Telecommunications and Information Department.

They discussed U.S. aid to the Czech Republic in working out new legislation on telecommunications and their privatisation.

Telecommunications were also discussed in New York where Dyba met with representatives of J.P. Morgan. The company has been hired by the Czech Government as a consultant in the privatisation of posts and telecommunications.

Zieleniec Discusses Foreign Policy Goals

AU2402131193 Prague RUDE PRAVO in Czech 22 Feb 93 pp 1, 9

[Interview with Foreign Minister Josef Zieleniec by Jan Zizka; place and date not given: "We Do Not Want To Put All Our Eggs in One Basket"]

[Text] Foreign Minister Josef Zieleniec spoke to RUDE PRAVO about the foreign policy of the Czech Republic.

[Zizka] In one of his first postinauguration interviews, President Havel expressed his support for military intervention in the former Yugoslavia without ever having consulted you on this issue. This gave rise to an impression that you and the president differ on authority in foreign policy....

[Zieleniec] I spoke about it with the president. I believe that the difference in opinion is minor. The president emphasizes the ethical side of foreign policy, while we—at the ministry—are responsible for its implementation in practice. This necessarily leads to oblique statements. The president can afford to morally condemn this or that phenomenon in the world. If I speak about a certain concrete matter, I must also be ready to act. I must have all the tools ready for efficient action. I cannot speak in favor of measures that the Czech Republic subsequently cannot implement. This, however, concerns the difference in the point of view. According to the Constitution, the president represents the state externally, negotiating and ratifying treaties. I am responsible for the strategy and execution of foreign policy. These are unequivocal definitions.

[Zizka] Does this mean that the president can advise you but you reserve for yourself the right to decide?

[Zieleniec] It is irrelevant who reserves what. There is a clear responsibility given by the laws and the Constitution. The president and I certainly communicate. We will be in daily contact with the Foreign Affairs Department of his Chancellery. I believe that our views on all practical issues will coincide—we must harmonize our foreign policy activities. The president will travel abroad and receive foreign visitors. Everything must correspond to the general foreign policy strategy approved by the government and the Foreign Affairs Committee of the Chamber of Deputies. It must also conform to the travel schedule of the prime minister and the foreign minister.

[Zizka] In the past, the powers were even clearly divided de jure, but they were interpreted differently nevertheless.

[Zieleniec] The Chancellery of the president used to play a different role than it does today. At the time immediately after the revolution, a substantial part of the responsibility rested directly on the president—not so much because of the definition of his constitutional powers but rather because of his position as the leader of the November events. As a result, the Chancellery acquired some informal powers for him. Today the

situation is different. We passed through the second parliamentary elections, and all constitutional bodies operate normally.

[Zizka] In addition to the Visegrad countries, Prime Minister Klaus includes Austria and Slovenia among the states with which the Czech Republic wants to develop regional cooperation. This represents to a large degree the countries of the former Austro-Hungarian empire. Should this cooperation be a certain counterbalance to the growing dependence of the Czech Republic on Germany?

[Zieleniec] I believe that cooperation with one's neighbors is a natural component of foreign policy and the international activities of every state. It is an imperative for smaller countries. We have a common history with the countries you mentioned, and we share many values. It certainly is advisable to develop cooperation in all geographical directions. Everyone who has ever worked in an economic enterprise knows that it is better to have more suppliers and more customers. The English say, don't put all you eggs in one basket. An orientation in several directions is part of a prudent policy.

[Zizka] Slovenia and Hungary are not our neighbors, nevertheless they are included in our regional political plans.

[Zieleniec] For the first time in history, we have no common border with Hungary. From the point of view of the ties between us, and from the regional point of view, we still must consider Hungary to be our neighbor. Of course, Slovenia is something else. Similarly to Austria, however, we have historical ties to Slovenia. The southern orientation must be included in our foreign policy. These are not just political ties, but involve infrastructure, trade, etc. It simply is necessary to evenly distribute the roots of the country in this space.

[Zizka] Is our currently emphasized willingness to cooperate regionally caused by a skeptical view of the future of West European integration, or by disappointment over the fact that the EC is not rushing to accept us?

[Zieleniec] I would not call it an emphasized willingness. It is one of the pillars which our foreign policy and international activities stand on. In no way is it an alternative to our orientation toward European institutions, our integration in Europe. We must be economically ready for entry to Europe. Our market must be competitive and ready for the connection to the Western markets. Our democracy must be stable and operating well. On the other hand, West Europe is discussing its future structure. It could happen that we will be ready to become a part of Europe before it is ready to integrate us. It is natural that we have our own opinion on what it should look like, and that we are not quietly standing at the door waiting until it opens. We feel a part of Europe, and therefore we want that when it opens up, our experience and views will find their place.

[Zizka] The EC continues to advocate a universal approach concerning future membership of the Visegrad Four. The leaders of the former Czechoslovakia, Hungary, and Poland agreed to submit the application jointly. The position of the Czech Republic on this issue, however, is rather reserved.

[Zieleniec] No document has ever been signed stating that we will submit a joint application. It was only mentioned at the meeting last year of the heads of state. Our reform is based on the change of people's positions. The element of individual responsibility of a person who depends, above all, on his own strength, has its equivalent in foreign policy. None of us goes to ask for foreign loans, or travels around the world with an outstretched hand. We keep emphasizing that we will manage. We are not trying to persuade the EC that it should admit us, we just say that we will be ready for admission. The process of admission to the EC is for us a process of our own endeavors in the construction of an efficient economy and a stable democratic society. This philosophy is incongruent with knocking on the European door every week and asking to be admitted. The setting of the admission date is not the decisive factor for us. Our approach is incongruent with the organization of pressure groups for jointly knocking on the European door.

[Zizka] It seems to me that what you say about the diversification of the orientation and the unwillingness to knock on the European door every week represents a shift from the Civic Democratic Party position in the election campaign and shortly afterward when orientation to the West was discussed quite unequivocally.

[Zieleniec] That is still so. We will do everything in our power to become part of the European institutions—EC, NATO, etc.—as soon as possible. We realize, however, that it means, above all, to work at home. We have always maintained that we would not depend on someone's assistance. Look at the GDR, for instance, where the people still depend on someone, what kind of unemployment they have, the difficult social situation, and the social tension between them and the people from the western part of Germany. It is a striking difference. The reform succeeded here mostly in the people's awareness of their individual responsibilities. It would not be logical for us to approach our integration in Europe in any other way.

[Zizka] According to Czech foreign policy, the state dissociates itself from the unstable East European region. Does this mean that we already consider ourselves part of the stable West? Are there not many common problems that bring us closer to the East?

[Zieleniec] Based simply on our position on the map—nothing else—our foreign policy is that we have lost direct contact with the Danubian region—or the link to the southeast of Europe—and the territory of the former USSR. That certainly means something, but not that we dissociate ourselves [from East Europe]. It is common sense that the change in the geopolitical situation of our

state calls for a shift in foreign policy. The fact that we no longer are neighbors with Ukraine is simply indicative of something. We are more rooted—both geographically and through our interests—in the West.

Republic Becomes 172d Member of UNESCO

AU2402141793 Prague CTK in English 1913 GMT 22 Feb 93

[Text] Prague, Feb 22 (CTK)—The Czech Republic officially became today the 172nd member of the United Nations Educational, Scientific and Cultural Organisation (UNESCO), the Czech Foreign Affairs Ministry has announced.

The UNESCO Charter is kept in London where the signing took place. The Czech Republic indirectly succeeds the former Czechoslovakia which was one of the 20 founders of that organisation in 1946.

Klaus Sees Price Decline, Private Business Boom

AU2402132093 Prague HOSPODARSKE NOVINY in Czech 19 Feb 93 p 2

[Unattributed report: "The Refugee Issue Is Becoming a Problem"]

[Text] Small-scale border traffic without any restriction has been planned for the Moravian-Slovak border, but the refugee issue is becoming a problem, Civic Democratic Party Chairman Vaclav Klaus said yesterday at a party meeting in Zlin.

"This external migration [from countries outside the Czech and Slovak Republics] will force us to take measures we have not expected. The extent of this small-scale border traffic must be defined and we will discuss it during my first state visit to Bratislava on Monday [22 February]," Klaus stated.

He admitted that his party has problems with its coalition partners. "We have these problems because of you, as you did not give us 51 percent of the vote," he told his audience in the Zlin movie theater. He said that if a coalition rules in any country, it brings about certain difficulties.

As an economist, Klaus does not see any reason for further increases in food prices. The food industry will have, in his opinion, difficulties with marketing and maintenance of the prices of the beginning of 1993. "The data for the first ten days of February confirm this. Prices of food generally declined and only a very few of the 50 items I studied showed any price increase at all," he said.

To the question of how the government supports private business in the Czech Republic, he replied that the television and the media are currently creating a psychosis as though businessmen were being destroyed. "That is not true, taxes are evidently lower than last year," Vaclav Klaus emphasized.

Coalition Parties Agree To Discuss Differences

AU2402130093 Prague MLADA FRONTA DNES in Czech 19 Feb 93 p 2

[Report by "(iv, ben)": "The Coalition Is Resolving Its Disputes"]

[Text] Prague—Representatives of the government coalition have agreed on the need to draft a form of coalition treaty that would determine the mechanisms for communication among the coalition parties in parliament and for resolving possible disputes. Differing views and specific proposals for certain laws—submitted by the coalition partners—provided the stimulus for this step and for yesterday's meeting involving the nine leading representatives of the coalition parties in the Chamber of Deputies. This situation is caused by an insufficient flow of information among the parties. Yesterday's meeting resulted in an agreement that differences of opinion should be discussed first of all within the coalition even if this means interrupting a plenary meeting. Only then—as the case may be—should the opposition or the media be informed.

Bank Council Controversy Clarified

AU2402141593 Prague CTK in English 1909 GMT 22 Feb 93

[Text] Prague, Feb 22 (CTK)—When Czech Premier Vaclav Klaus said he had co-signed President Vaclav Havel's decree appointing the members of the Czech National Bank (CNB) Executive Council, he probably mistook the appointment of Council members for that of CNB vice-governors, Ladislav Spacek told CTK today.

Spacek, Havel's spokesman, said that Klaus had cosigned the decrees appointing the bank vice-governors who, under the law on the CNB, became members of the Council automatically.

The decrees were handed to the vice-governors and the other members of the Council on Wednesday, February 17, Spacek said.

Under the Constitution, the appointment of the vice-governors by the president must be cosigned by the premier.

Spacek denied that Klaus had cosigned the decision to appoint the other council members—Jiri Pospisil, Ota Kaftan and Miroslav Kucera. He said the Czech Constitution does not require the premier's cosignature in this case.

In addition to the Vice-Governors Jan Vit and Pavel Kysilka, the bank governor is also a member of the council. Josef Tosovsky was appointed as governor on January 20 by Milan Uhde, chairman of the Chamber of Deputies of the Czech parliament, who represented the Czech president, not yet elected at that time.

The seventh and last member of the Council will be appointed later.

The confusion around the appointment of the Council members was aroused by an article by Karel Kriz published by the Czech daily LIDOVE NOVINY on Friday [19 February]. In it Kriz alleged that by vetoing (the seventh potential candidate), he (Klaus) made it clear to the bank Council who had really appointed it.

Klaus Writes on Temelin, Energy Needs

AU2402171793 Prague CESKY DENIK in Czech 19 Feb 93 pp 1, 12

[Article by Prime Minister Vaclav Klaus: "A Problem Called Temelin"]

[Text] The Temelin nuclear power station has become an exposed nerve in our public policy. Its completion or noncompletion is a problem surrounded by no small number of passions, passions that are a priori motivated, and special interests. If we want to find a solution, an optimal solution from our society's point of view, of our entire society, then we cannot succumb to one-sided opinions but rather listen carefully to rational arguments, arguments supported by respectable data. Let us consider several principal problems that are emerging along with the Temelin problem.

Let us begin with a forecast of our electricity needs. We can hear many people saying that our electricity consumption is too high and that we should try to reduce it. There is plenty of room for conservation, but expectations of a hypothetical decline in electricity consumption are obviously erroneous. Electricity consumption has been declining for three years since 1989, when it peaked at some 62 Terawatthours. It is not at 36 Terawatthours, or the level of 1985. This decline was due, on the one hand, to increased prices (we achieved some savings, therefore), and to our overall decline in industrial output on the other. This short-term development, however, cannot be the starting point for our forecast of consumption 20 years from now.

In the first place, we must expect growth in industrial production (and other areas of production and consumption), which will translate into higher demand for electricity. Second, even in our country we must expect electricity to be given priority over primary energy resources, which is a trend that appeared a long time ago in the rest of the world, and which we will have to face. (It is certain that the expected growth in prices for primary energy resources, namely coal, will contribute to that.) To think that, in view of these two basic and highly probable conclusions, the consumption of electricity would decline in our country means to cherish irresponsible ideas—to say it bluntly.

In spite of this, we are operating on the basis of a forecast of relatively slight growth in electricity consumption. This forecast assumes that in 2010 our electricity consumption would be only 12-percent higher than in 1990. This would mean a substantially smaller increase than in any other EC country. If we consider that we are lagging considerably behind those countries in the electrification process, then this is a very sober forecast. Even according to this forecast, we would need substantial electricity supplies, either from imports or our own production facilities. This is even more true if we consider that we will have to reduce the production of electricity and brown coal extraction in some North Bohemia plants.

Regarding the possibility of importing electricity, we must distinguish between massive imports, which would become the principal source for satisfying our needs, and marginal imports merely to bridge a period of short supply. None of us is questioning the necessity of importing electricity in marginal amounts. To rely on massive imports, however, would be very irresponsible since West Europe has no superfluous power production facilities (and they are not going to build more of them). This is why any efforts to import electricity from this region can hardly succeed. Regarding imports from the East, the situation is even worse. I would say that to rely on eastern sources of electricity supplies would be very hazardous (since we are highly dependent on crude oil and gas supplies from the East, anyway).

In the light of these facts and the necessity of phasing out some production capacities in North Bohemia, construction of new (other than brown coal-powered) power stations appears to be necessary.

The decisive factor is, however, how much electricity costs. The so-called specific costs (korunas per megawatthour) for electricity from the Temelin nuclear plant are 575 [korunas] (including the costs for storing wasted fuel and dismantling the plant after its lifespan), while [the production of electricity in] the so-called "vapor-and-gas" [paroplynovy] cycle costs between 998 and 1,112 korunas; after adjustment to improve the quality of power stations and desulfurize them, between 919 and 1,044 korunas; after the introduction of boilers processing fluids under atmospheric pressure, between 898 and 1,017 korunas; and after introducing fine-powder boilers with desulfurizing equipment, between 1.171 and 1,293 korunas. All other alternatives are even more costly.

This does not mean, of course, that financing this or that option will be easy, and that we will be able to avoid serious problems. Opponents of nuclear energy certainly have their arguments, but they should be aware of this economic (or financial) data.

We can argue about the energy investment decisions made by the former regime, but our analyses would not be much different. Today we are facing reality: The Temelin power station is 60 percent finished. Electricity from this plant would be, according to the experts, the cheapest of all alternatives. We can finish two blocks in this power station using modern and safe technology, comparable to that used in advanced countries. We also can—if we replace electricity from North Bohemia

power stations by electricity from Temelin—lower the sulfur dioxide emissions in North Bohemia by some 23 percent and by 10 percent for the entire republic, not to mention reducing other harmful emissions.

I am therefore intrigued by the fact that some North Bohemia environmental initiatives, as well as some mayors of North Bohemia cities, are not in favor rather oppose completion of the Temelin power station. Can these facts be unknown to them? If we take them into account, then we have a number of rational arguments and an opportunity to conduct unbiased and apolitical discussion. In the government, there are no obstinate opponents or proponents of nuclear energy, but the government is responsible for ensuring that we will be able, figuratively speaking, to switch on the lamps on our desks any time during the next 20 years. Nuclear safety is, of course, very important, and the quality of the nuclear power station will be verified regularly by international organizations (and certainly ours as well.) There cannot be any doubt about that.

Temelin Construction To Be Completed

LD2402232193 Prague Radiozurnal Radio Network in Czech 2200 GMT 24 Feb 93

[Text] Having evaluated all circumstances, and acting in accord with its best knowledge and conscience, the government has concluded that it will complete the construction of Temelin nuclear power station. This was stated today by Industry and Trade Minister Vladimir Dlouhy in a television discussion about the problems of Temelin and the Czech power industry as a whole. Economy Minister Karel Dyba noted that the Czech Republic power generation plan was drawn up last year and that its outline is still in force. He also went on to say that there are no plans to export electricity in the future. Prime Minister Vaclav Klaus noted that 71 nuclear power stations are currently under construction in the world and thus the claims about a general retreat from nuclear power do not correspond to actual development.

Former Minister Set To Profit From Soviet Base

AU2502100093 Prague CTK in English 1103 GMT 24 Feb 93

[Text] Prague, Feb 24 (CTK)—Abandoned Soviet Army bases, originally positioned to resist the onslaught of Western imperialism, may turn into unexpected capitalist gold mines, which explains why the Czech Government is currently busy examining civilian conversion projects to determine which plan will best exploit the bases' money-making potential.

The last Soviet soldier left the military training base of Ralsko in March 1991. After the Soviet Army there remains devastated countryside, a series of half-dilapidated buildings, but also... an airport, which according to experts could bring in tens of billions of crowns, the Czech weekly RESPEKT writes, in a report on the potential riches of this North Bohemian tract.

The Czech Government set February 15 as the deadline for the submission of projects to convert the base. According to the paper, four candidates have presented bids, though only one has made this public. The Northern Bohemia Free Zone joint stock company, headed by former Czechoslovak Defence Minister Gen. Miroslav Vacek, envisions foreign capital investment of up to 5 billion U.S. dollars, which would double the combined total foreign investment in the Czech and Slovak Republics since 1990.

Vacek, who bought some base property and installations from departing Soviets for a pittance before a law forbidding such sales was enacted last year, stands to make a huge profit, regardless of whether his company's bid is approved. If they don't win the contest, they will cash in on selling their property, the weekly writes.

Vacek, however, aims to win and his partner, Col. Zdenek Zbytek is not shy about touting their expertise. I have known the base since 1974. I am certainly one of its foremost experts. I know where we had target practice, where we used pyrotechnic materials and where the Russians shot and trained, he stresses.

Zbytek and Vacek hope to turn Ralsko into a huge air cargo distribution centre, making use of large storage facilities and the modern airfield, RESPEKT writes. Problems abound, however, including how to dispose of ecological damage assessed at some five billion crowns (172 million USD [U.S. dollars]). This sum does not include the removal of unexploded munitions, Ralsko Town Mayor Jindrich Eger says, adding that at the rate the cleanup is going, the base will not be decontaminated until the year 3000.

A Czech Government commission is to rule on the Ralsko conversion bids on March 15. In the meantime, Col. Zbytek is confident. The Northern Bohemia Free Zone has plans for the construction of tourist facilities and a nature preserve to be stocked with endangered rhinoceri, RESPEKT reports. Everything is going to be covered by American and Japanese capital, Zbytek says, not by KGB money, as is sometimes rumoured.

IMF Group's Departure Not Due to Disagreement

AU2402142193 Prague CTK in English 1145 GMT 22 Feb 93

[Text] Bratislava Feb 22 (CTK)—Representatives of the International Monetary Fund (IMF) did not leave Slovakia because of disputes over privatisation, said Deputy Minister for the Administration and Privatisation of National Property Ladislav Holomani at a press conference here today.

Holomani said that he did not know the reason for the representatives' departure, because he did not take part in the meetings of the IMF delegation and the Slovak Government.

The IMF requires a fast privatisation process, he said, and added: I am convinced that the IMF is satisfied with privatisation in Slovakia.

The IMF meeting with the Slovak Government ended abruptly Saturday [20 February], apparently due to conflicting views about devaluation of the Slovak currency, according to the REUTERS news agency.

The seven-member IMF delegation came to Bratislava on February 15 to discuss a loan of at least 100 million USD [U.S. dollars] with government and Slovak National Bank representatives. The premature departure of four members of the delegation Saturday was reportedly preceded by their statement that the Slovaks are not ready to agree to the devaluation of their currency.

Foreign Investment in Economy Summarized

LD2402202093 Prague CTK in English 1911 GMT 24 Feb 93

[Text] Prague, Feb 24 (CTK)—Foreign investment in the Slovak economy slowed after the parliamentary elections in 1992, writes the Slovak economic weekly TREND in its latest issue.

At the end of March 1992, the amount of foreign investment in Slovakia reached 3.5 billion crowns, (120 million USD [U.S. dollars]) and at the end of June 5.2 billion crowns (170 million USD). In the third quarter it increased to 6.1 billion crowns (210 million USD), and at the end of the year it amounted to 6.6 billion crowns (227 million USD). According to Slovak Economics Ministry calculations, the Slovak economy would need an annual injection of at least 8.3 billion Slovak crowns (286 million USD) of foreign capital until the year 2000, writes TREND.

In the second half of 1992, foreign capital came primarily from small investors, while large firms decided to wait. Of the 54 countries which invested in Slovakia, Austria invested the most (27.3 per cent of the total foreign investment—1.8 billion crowns (62 million USD) invested in 908 Slovak organisations). Germany was in second place (24.9 per cent—1.6 billion (55 million USD) in 489 organisations), and in third place was the United States (19.2 per cent—1.3 billion (44 million USD) in 110 organisations). Other large investors were the Netherlands, Italy, Sweden, South Korea, and Canada.

In almost three-fourths of the cases, basic investment was under 100,000 crowns (3,448 USD) in foreign capital, according to TREND. Only in two per cent of the cases was the basic investment higher than 10 million crowns (345,000 USD).

Talks Held With Czechs on Gas Transport Issues

LD2402212793 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 2030 GMT 24 Feb 93

[Text] Slovak Economics Minister Ludovit Cernak and Czech Industry and Trade Minister Vladimir Dlouhy held talks in Bratislava today on the division of Transgas [company transporting natural gas from Russia via pipeline]. They stated that the governments of both countries have agreed on the division of the current contracts registered on behalf of the Metalimex Joint Stock Company and the Czech Gas Facilities State Company on condition that the division is carried out by 30 June next year. Until then a temporary operational schedule will be in force.

The Slovak Republic demanded that the payment of transit fees for the transport of gas be in freely convertible currencies. It further demanded that the foreign currency payments for the first two months of this year be promptly effected in the Bratislava branch of the General Credit Bank.

The Czech side acknowledged the validity of this requirement. It pointed out, however, that the payment is linked to the signing of the intergovernmental agreement on the division of the transit gas pipeline.

Ludovit Cernak told journalists that he asked Vladimir Dlouhy in his capacity as chairman of the Council of Customs Union to summon a council meeting to discuss the Slovak request to introduce some import surcharges. Vladimir Dlouhy said that for the time being the Czech side is against their introduction, and that he must first discuss the summoning of the council with the Czech Government.

Expert Sees No Danger in U.S. Using Airspace

LD2502120093 Budapest Kossuth Radio Network in Hungarian 1100 GMT 25 Feb 93

[Text] Huge U.S. cargo planes will fly over Hungary. Our aviation expert Istvan Schmidt, retired aviation major general, answers questions from Gyorgyi Orban.

[Begin recording] [Orban] What does it mean if Hungary permits U.S. aid-carrying aircraft, which are taking food aid to Bosnia, to use its airspace? Does any danger threaten southern Hungary because of this?

[Schmidt] This action is not a question of military activity being launched in order to assist one side or the other or against any one of them. This is explicitly a humanitarian action based on UN resolutions for helping to some extent the people, the innocent victims, of the inhumane fighting in Bosnia. This definitely determines both the political and military assessment of an entire range of issues.

Now, in concrete terms, with regard to the use of Hungarian airspace: for the time being it is not publicly known what is the objective of this use. Whether the aircraft, in delivering the supplies, would fly through Hungary and fly back through Hungary, to and from the target zone, or whether Hungarian airspace would be used only in the event of a danger situation [veszhelyzet], for the rescue of the aircraft within the shortest possible time. I do not think it is justified to frighten ourselves by thinking that Hungary is threatened by any danger through its contribution to this or that objective by permitting the use of its airspace. [end recording]

Foreign Ministry Statement on Iliescu's Remarks

LD2402214593 Budapest MTI in English 2116 GMT 24 Feb 93

[Text] Budapest, February 24 (MTI)—Hungary's Foreign Ministry issued the following statement on Wednesday [24 February] evening:

The Foreign Ministry of the Republic of Hungary was surprised to learn of the statements Romanian President Ion Iliescu made to the press concerning Hungary on February 23.

The ministry wishes to stress the following in connection with what was said and concerning relations between Hungary and Romania: The Hungarian side is of the view that the past year has seen progress in shaping bilateral links in a number of areas, mainly cultural, educational, military, economic and transport cooperation.

Hungary is continually working to resolve unsettled questions in the system of bilateral relations. At the latest consultation of Foreign Ministry experts in Bucharest from January 26-28, 1993, the Hungarian side noted a lack of progress in several questions relating to interstate relations, including the establishment of further border crossings, the re-opening of consulate generals and the foundation of a Minority Joint Committee.

Official Romanian personalities have also made statements recently which reflected a realistic approach and cooperation readiness, but no concrete measures have been made as of yet.

Work on the basic treaty between the two countries has reached a stage where the concerned minorities are consulted by both sides, which in Hungary's opinion will be of considerable help in drafting the agreement.

On the basis of European documents, Hungary has proposed several forms of cooperation with Romania regarding the minority question, but up until now no positive answer has been received. Hungary has also raised the idea of a minority protection agreement. It believes it would be more desirable if minority policies were qualified not by the given state, but by the concerned minorities themselves.

Hungary would like to see a national authority dealing with minority affairs in Romania, as in Hungary, or a law on minority rights enacted, as will be the case in Hungary after far-reaching consultations are held with the minorities concerned.

Regarding regional cooperation, we would like to recall that this question was also included, by mutual agreement, in the memorandum on foreign ministry cooperation signed on June 3, 1992, as well as in the basic treaty draft. The intention to join various structures of European cooperation also figures among the foreign policy priorities declared by Romania.

Romanian partners were invited to participate in the regional cooperation scheme Carpathian Euroregion, and attended some of the relevant conference as observers. It is most unfortunate that Romania was not present at the foundation of the Carpathian Euroregion on February 14, 1993. We consider it important for the local authorities of counties, villages and towns to take part in cooperation of the Carpathian Mountains and Tisza River region of their own accord. This form of cooperation continues to be open, and the Hungarian side would be invariably glad if Romania joined it.

The Foreign Ministry of the Republic of Hungary continues to see a future in the cooperation of Hungarian-Romanian relations and a settlement of problems, and has an interest in eliminating the atmosphere of unfounded accusations and suspicion.

Vatican Radio Interviews Jeszenszky

LD2402174793 Budapest MTI in English 1618 GMT 24 Feb 93

[Text] Vatican City, February 24 (MTI)—Developments in the new Europe and how transforming economies and societies can cooperate with the Holy See and the Catholic Church were in the focus of talks with Archbishop Jean-Louis Tauran, in charge of the Vatican's relations

with state, said Hungarian Foreign Minister Geza Jeszenszky in an interview on the Vatican Radio Wednesday [24 February].

The talks also touched upon international issues, namely the war in the Balkans, Soviet successor states and the status of national minorities.

Referring to Pope John Paul II's statement that although patriotism is important, one must be careful in regard to nationalist extremes, the interviewer asked whether the issue had been discussed.

Jeszenszky said everyone must know the difference between patriotism, a national feeling and responsibility for the rebirth of the nation, from the sentiment of hatred, which considers others the enemy and possibly seeks to eliminate them.

"I think it is a vital question for the new Europe and for former communist countries that their citizens should live in legal security, that minorities should have their rights guaranteed, be able to preserve their religion and culture and build and maintain their school system. These are the preconditions to stability," Jeszenszky said.

Despite the occasionally surfacing view that minorities represent a destabilizing force, the world must see that the truth is exactly opposite. A happy minority is a source of stability and promotes good interstate relations, while oppression and discrimination are sources of constant tension, Jeszenszky said.

The Hungarian Government's work and the Hungarian minorities' efforts fully comply with the Helsinki guidelines, the Paris Charter and all documents which put special emphasis on minority rights within human rights. Every kind of intolerance and all violations of law must be firmly rejected and stopped, by information if possible, and the force of law if necessary, he said.

It is also important to take steps in eliminating nationalistic intolerance, he added, saying the Hungarian Government and Hungarian minorities are aware of the issue's significance, and of the responsibility of all who speak or do something about the problem.

Also, many can see the solution clearly, that the way out is to guarantee rights and to meet national and international obligations.

"In that case, the issue will cease to be a source of tension and may be resolved relatively easily," Jeszenszky said.

Ex-Military Intelligence Head Cites Achievements

LD2402221993 Budapest MTI in English 2154 GMT 24 Feb 93

[Text] Budapest, February 24 (MTI)—"Parliament and the government, the Defence Ministry and the Hungarian Army Headquarters Staff have consulted the Military Intelligence Office on every critical military question. They made their decisions in consideration of our evaluations concerning international military processes, foreign armed forces and armaments," Brigadier General Janos Kovacs told MTI on Wednesday [24 February].

Kovacs was relieved of his post as Army Headquarters Staff Military Intelligence Office head with effect of March 1. He was appointed to the post on October 1, 1989. In future, he will represent Hungary in the field of military diplomacy in Vienna. As of March 2, the government appointed Brigadier General Lajos Fodor head of the Army Headquarters Staff Military Intelligence Office.

Speaking to MTI, Kovacs said that the shift in system had brought considerable changes in the work of Hungarian military intelligence. Cooperation has been established with partner services in all countries interested in maintaining European security, including former Warsaw Treaty countries and NATO members alike.

Consultations were held, and experience exchanged, with nearly all of the neighbouring countries on topical military questions. Hungary's military intelligence does not stand defenceless in the face of any countries, and has no preconceived ideas about enemies, he said.

Kovacs outlined the intricate situation faced by military intelligence in relation to the south Slav crisis. About one and a half years ago, there were external forces which could have been interested in extending the armed conflict to Hungarian territory. Although this danger is over, there is the possibility that the war in Bosnia-Hercegovina might spread again to areas near Hungary. With this in view, Hungary's military intelligence should continue to work with increased attention and in an objective manner, Kovacs said.

Suchocka Discusses Asylum Issue

AU2402181793 Vienna DIE PRESSE in German 24 Feb 93 p 14

[Interview with Prime Minister Hanna Suchocka by Klaus Bachmann; place and date not given: "We Do Not Want To Build a New Iron Curtain"]

[Text] [Bachmann] Mrs. Suchocka, President Walesa stated before the most recent budget debate that he would dissolve parliament if it does not adopt a budget. Once it was adopted, he announced that parliament should be dissolved in any case. At the same time the opposition is launching a campaign, calling for new presidential elections. Which elections should come first?

[Suchocka] The greatest evil in the current situation would be new presidential elections. The duration of the president's term of office is stipulated in the Constitution. When Jaruzelski was president, the situation was extraordinary, but President Walesa was elected in general elections. If we start questioning this article of the Constitution now, if we behave as though it did not mean anything, this would be a bad precedent for the future. Walesa should continue in his office, in accordance with the Constitution.

I am also against new parliamentary elections this year. The party system is still in a transitional stage. The parties do not have clear platforms yet. Holding elections in this situation would mean that we would have to carry out new ones in one and a half years.

[Bachmann] Even such different politicians as Adam Michnik and Jaroslaw Kaczynski agree that President Walesa is trying to expand his power excessively.

[Suchocka] We adopted our Constitution only a short time ago, and the corresponding customs must develop now. The president is not usurping anything, but we simply do not know yet whether he must sign the prime minister's nomination of a minister or whether he can reject it.

[Bachmann] Your minister for European affairs, Jan Krzysztof Bielecki, recently accused Germany of pursuing power politics in regard to Poland.

[Suchocka] If one wants to pursue an asylum policy that has an impact on what happens with asylum seekers who enter another country, this requires coordination with the other country. One must understand Bielecki's statement in this context. We can pursue a corresponding asylum policy and provide assistance to the Germans, but first we must conclude an appropriate agreement.

[Bachmann] What should this agreement include?

[Suchocka] Mainly it should include things on which we agree, and the conditions on which we agree to take back people who happened to enter Germany via Poland. The basis they can be returned to us and when must be clarified.

We cannot accept that all who arrived before the conclusion of such an agreement should be sent back to our country.

[Bachmann] Yet, no one can forbid another country from closing its borders. Even Poland does that with its eastern border.

[Suchocka] Once the border between Germany and Poland is closed to illegal refugees, one can expect that the number of asylum seekers will rise in Poland. This must be regulated internationally with mutual agreements. Naturally, we must close our borders too.

[Bachmann] Irrespective of what agreement is concluded with whom, the number of asylum seekers will rise in Poland because other countries are closing their borders, and because Poland has become more attractive economically. Is Poland prepared for that?

[Suchocka] We must also introduce suitable asylum procedures—like the traditional asylum countries. So far, we have not even dreamed that we might become attractive to asylum seekers. Now we are facing this problem. The corresponding legislation is being prepared.

[Bachmann] Can Poland afford more asylum seekers?

[Suchocka] We certainly cannot. We are in a very difficult situation. Yet for this very reason, we must draft the corresponding regulations so that we are not suddenly confronted with the situation of not being able to accept asylum seekers with claims that are obviously justified.

[Bachmann] A debate has erupted within the government on this issue. Interior Minister Milczanowski advocates compulsory visas for Poland's eastern neighbors. Foreign Minister Skubiszewski opposes such a move. Who will decide?

[Suchocka] The whole government. I believe that we will adopt a compromise.

[Bachmann] Poland itself has struggled for many years for open borders. It cannot demand the opposite for others today.

[Suchocka] For this reason, we are not in agreement with the radical and restrictive measures proposed by Minister Milczanowski, just because we are in a better position today. On the one hand, we want to protect our borders more effectively, but on the other, we do not want to violate the principles for which we ourselves used to fight. We must not, however, allow our open borders to lead to an unimpeded flow of asylum seekers to the West.

[Bachmann] Bielecki put it this way: The price for opening to the West is closing Poland's eastern border.

[Suchocka] I do not know whether he said that. In any case, it is not our intention to build a new Iron Curtain. Yet, we must prevent renewed closure of the Oder-Neisse border because of our openness.

[Bachmann] That is not the only dilemma within the government. Minister Kubiszewski is also a confident advocate of the formation of European regions. Your deputy, Deputy Prime Minister Goryszewski of the Christian National Party, however, recently described the European regions as "Poland's fifth division."

[Suchocka] The different parties hold different views on this issue. For us, too, the problem is still quite new. I would say that if the formation of these regions has positive economic effects in these regions and if the high crime rate that usually characterizes the border regions declines, the opponents of this idea will soon be convinced of its usefulness.

[Bachmann] What is it like to head a coalition with such divergent views?

[Suchocka] It would be easier if all parties were in agreement. Yet, it is more interesting this way.

[Bachmann] According to Germany's Constitution, the chancellor determines the political guidelines. In the event of doubt, he puts his foot down.

[Suchocka] We do not have a chancellor. In our country, the prime minister is a primus inter pares. In controversial cases, I propose a compromise. So far, such proposals have not failed to be supported by a majority.

General Strike Begins in Lodz Region

WS2502120093 Warsaw TVP Television First Program Network in Polish 0800 GMT 25 Feb 93

[From the "Wiadomosci" newscast]

[Text] Since 2300 GMT yesterday, a 48-hour general strike has been under way in the Lodz region.

[Begin recording] [Correspondent Wojciech Janczyk, identified via screen caption] In its communique, the regional strike committee declares that the reason for the protest was the fact that the government did not appoint a government plenipotentiary for the restructuring of the region. The deadline was 22 February. The government also did not introduce pre-pension payments or offset the cost of living.

[Unidentified commentator] In the referendum organized last December, more than 200 plant committees declared that they were ready to go on strike. So far the regional strike committee has received around 30 telex messages from other plants which confirm that they have joined the strike. The plants are the radio factory Fonica, the 9th May Cotton Plant, Zwoltex in Zdunska Wola, and the Educational Film Making Plant. The joint stock company of Prochnik will not have a break. In this plant the union members will confine themselves to putting up flags on the plant buildings.

Yesterday the Lodz town councilors spoke in favor of the strike. They put off until tomorrow the second part of their session, which will be held in the reading room of the Municipal Transport Company. The regional agency of OPZZ [All-Polish Trade Unions Agreement] supported the strike. The unionists of this center will join the strike tomorrow. Also tomorrow the public transport system in the city will stop working. Today at 0830 GMT the passenger trains traffic in the Lodz, Sieradz, Skierniewice, Piotrkow, and Plock voivodships will be blocked for 48 hours. [end recording]

Sejm Debates Restructuring, Education, Euroregions

AU2302125093 Warsaw PAP in English 1959 GMT 20 Feb 93

[Text] Warsaw, Feb. 20—Deputy Minister of Labour and Social Policy Michal Boni told the Sejm (lower house of parliament) today that the government will appoint its commissioner for the Lodz region in the coming weeks.

The post has been created as a result of strong pressure from Lodz Solidarity and other trade unions, which demanded speeding up work on the restructuring of the region, which is suffering from high unemployment and heavy reliance on the textile industry.

Boni also informed the deputies on government actions taken to date to implement the agreement signed last January with Lodz Solidarity and concerning the restructuring programme. His report met with criticism from deputies representing the opposition and the Solidarity Sejm caucus. The chamber will vote to accept or reject the report at its next session scheduled for 3 March.

Deputy Minister of Education Anna Urbanowicz presented the government stand on the collective dispute started recently by trade unions affiliating teachers and other workers of the educational sector, and declared it was unfair to hold the government responsible for decisions dictated by the binding legislation.

She said educational workers were suffered financially because of the budget, railway fares, pays for salaried state employees and some other acts passed by parliament in recent months. "By passing these acts, parliament has foreclosed decisions by the government," Urbanowicz claimed.

She also told the deputies that next week a team headed by Minister of Labour Jacek Kuron would start talks with the trade unions concerned.

Another government report presented to the Sejm today concerned actions taken to improve the health condition of children and teenagers. Deputy Minister of Labour Joanna Starega-Piasek proposed, among other things, that family allowances for the upbringing of children be

paid out to every family whose per capita income is lower than 60 percent of the average wage. This would represent a major change from the present regulations which envisage allowances only for those covered by social insurance. The minister did not propose any date for introducing the change.

Foreign Minister Krzysztof Skubiszewski had a hard time in defending his and the cabinet's policy of supporting Poland's participation in the so-called Euroregions.

He assured the deputies that the establishment of the Carpathian Euroregion which took place in Debrecen, Hungary, on 14 February did not in any way infringe on the sovereignty or territorial integrity of Poland. His explanations met with sharp criticisms from the left and right, including from an important coalition party, the Christian National Union (ZChN). He got outright support only from the Democratic Union (UD) and the small Union of Labour (UP).

The minister explained that cooperation between the border regions of Poland, Slovakia, Ukraine and Hungary embraced by the newly established Euroregion will focus on such areas as environmental protection, tourist traffic, cooperation between small and medium-sized firms, transportation and culture. He was supported by Piotr Nowina-Konopka (UD), who said that to suggest that Euroregions were a method of dismantling state borders amounted to "absurd insinuation." Aleksander Malachowski (UP) warned that xenophobia was not the right approach to take when dealing with European integration.

But the rest of the speakers spared no strong words to criticise both the establishment of the Carpathian Euroregion and the government conduct of the foreign policy in general.

Longin Pastusiak of the Democratic Left Alliance (SLD) charged the cabinet with failure to consult parliament on the establishment of the Euroregion and to inform the public about the purpose of such action.

Jan Lopuszanksi of the Christian National Union (ZChN) claimed that the setting up of the Euroregion represented "a genuine trend to dismantle Poland's state borders." He postulated that any further government actions on the creation of Euroregions be halted until the parliament was informed about the general concept.

Jozef Fraczek of the Peasant Agreement (PL) maintained that the decision to set up the Carpathian Euroregion was harmful to Poland, while Slawomir Siwek of the Centre Alliance (PC) launched a sharp attack on the UD by saying that "the UD does not need Poland because the party has its capital in Brussels."

Minister Krzysztof Skubiszewski firmly rejected accusations of bringing harm to Polish interests and stressed that the state's powers had not been limited in any measure by the agreement signed in Debrecen. Answering Jan Lopuszanski, the minister remarked the two of them did not belong to the same world and declared he would not put up with attempts at closing state borders. Skubiszewski accused the deputies of the lack of understanding of the concept of Euroregions and pointed out that transborder cooperation was the first step to European integration.

The minister failed to allay the apprehensions of MP's who decided that the issue would be discussed again at the next Sejm meeting on 3 March.

Crisis Over Government Powers Called No Threat

AU2502105193 Warsaw PAP in English 1109 GMT 24 Feb 93

[Text] Warsaw, Feb. 24—The dispute within Poland's ruling coalition over the adoption of decree powers does not threaten the survival of the Suchocka government, although it could lead to "a serious impasse in its ability to govern," Cabinet Office chief Jan Maria Rokita claimed today.

In an interview for Polish Radio's third programme, Rokita attacked the Christian National Union (ZChN) club for introducing last-minute amendments to the draft bill on decree powers "which made a fiction of the whole law." He recalled that the draft had been approved by the coalition following consultations with individual political leaders, parliamentary caucuses, and had been amended accordingly.

Rokita hoped that common sense would return to discussion of the issue, and that a compromise could be reached soon. However, if the controversy signals "a more permanent radicalisation of part of ZChN, then compromise will be difficult to achieve," he said.

Asked to comment on recent proposals to seek a dialogue with the post-communist Democratic Left Alliance (SLD), Rokita said that this would be highly unlikely. As long as the SLD fails to undertake "a fundamental settling of accounts with its (communist) past," any dialogue can be discounted, he said.

However, Andrzej Urbanski, deputy leader of the Polish Liberal Programme (PPL), a leading partner in the ruling coalition, contradicted Rokita's rejection of any accommodation with the post-communist left.

In an interview for Warsaw's Radio "Zet" today, Urbanski noted the fragility of the coalition, and said that it should be widened to include "all willing partners," not excluding the SLD and former Prime Minister Jan Olszewski's Movement for the Republic of Poland (RDR).

Urbanski also noted that there is a decreasing commitment in political circles for the maintenance of the status quo, and that early elections remain a distinct possibility.

Commenting on the campaign by Centre Alliance leader Jaroslaw Kaczynski against President Lech Walesa, Urbanski noted that the radical opponents of the president have become a significant force in Polish politics, enjoying the support of around 5 percent of the electorate. "It is a great success for that 5 percent that it is headed by Kaczynski, and not by Stan Tyminski (leader of Party X) or Andrzej Lepper (leader of the Farmers' Self-Defense Union), he said.

Democratic Union's Frasyniuk on Party Trends

PM2302121093 Lodz GLOS PORANNY in Polish 16 Feb 93 pp 1, 3

[Interview with Wladyslaw Frasyniuk, Democratic Union deputy chairman, by correspondent Konrad Frejdlich; place and date not given]

[Text] [Frejdlich] The Democratic Union is on the eve of another congress. Can we expect that this time the congress will produce a clearer definition of the direction in which your party is likely to evolve?

[Frasyniuk] This congress will be devoted to our search for an answer to the question: What is the Democratic Union? Our first congress was largely given to the primary task of founding the union and establishing its basic framework, so we had no opportunity to arrive at a clearer definition of our identity.

[Frejdlich] In the meantime, however, the Union suffered a split during which Aleksander Hall's faction separated from the party's main body and formed its own group, defining its orientation as "moderate right-wing." Does this mean that the remaining body has moved over to the right?

[Frasyniuk] I would not say so, although it is true that the social democratic tendency has always been most strongly represented in the Democratic Union.

This tendency favors a market economy system in Poland, but insists that social conditions and circumstances be taken into consideration in implementing the system. It could not do otherwise, anyway, since the majority of our members are people who have followed the path of political education triggered off by the 1980 strikes. However, this is by no means equivalent to a left-wing orientation, at least not the sort of left-wing orientation that is recognizable in Poland today.

Another distinct tendency in the Democratic Union is the Christian democrat orientation. This is a most valuable contribution, the more so as it is now becoming increasingly difficult to reach a consensus between the state and the church. Nevertheless, the position of the church must not be overlooked or ignored. People opting for that orientation have demonstrated much personal courage. Take, for instance, Andrzej Wielowieyski, who voted in favor of admissibility of abortion on social grounds.

Finally, the weakest strand in our party is represented by the national Christian orientation.

[Frejdlich] Not so very long ago it was fashionable to invoke the so-called "Solidarity ethos." The Democratic Union was the foremost among the political groups which adopted that particular system of views and values. Consequently, do you not see it as paradoxical that the first victim of the transformation of the socio-economic and political system is precisely the working class associated with the major national industries? Could it not be said that the Democratic Union has sent it to its grave?

[Frasyniuk] This is a serious charge, but it was not the Democratic Union that acted as the exterminator of the big-industry sector of the working class. In the new circumstances dictated by the changed system there is no room for communist-style giants and monopoly-hoarders. Their fragmentation is actually in the workers' interest, although initially we have to pay the very high costs of the system's transformation. However, such revaluation processes are inevitable. In any case, the budget-funded sector is forced to pay an even higher price.

[Frejdlich] All the same, would you not agree that the fact that political parties now seek to draw their electorate from among fragmented communities and are forced to resort to invoking the sense of local loyalties indicates ultimately that there is a large gap now in the place once filled by the big-industry working class?

[Frasyniuk] I believe that the Democratic Union must now define its targeted electorate in a very precise manner. We have seen many myths emerging around us. It has been said that we represent the middle classes: either the milieus associated with the budget-funded sector or the small business circles.

There is nothing preventing us from receiving support from highly trained and qualified workers alongside with the engineers and managerial personnel—in fact, anyone who aspires to the new middle classes. And the Democratic Union can certainly appeal to that part of our society.

I myself come from the ranks of the so-called big-industry working class, and I maintain that there is ample room within the Union for people who are attracted by the hope of breaking with their past. Many of my colleagues believe that most work in Poland is still being feigned rather than properly executed, and that it needs to be restored to its proper high place in our system of values.

[Frejdlich] You and Zbigniew Bujak once used to follow the same path as authentic working-class leaders. Today, however, Bujak is a member of the Union of Labor. Is he therefore your adversary?

[Frasyniuk] I regret very much that we failed to reach an understanding. The mistake was made at an early stage,

when the Democratic Action Citizens' Movement was being organized. Our failure to hold a serious discussion then has led to today's situation. Each of us took a different path.

However, the Union of Labor is represented most authoritatively by Ryszard Bugaj. I could not possibly call him an enemy, either, although he represents the position of utopian socialism. For example, he believes that getting rid of limited liability companies is a good way of making our tax system more watertight.

[Frejdlich] But surely you, too, are perceived by many as a leader of the Democratic Union's left wing...

[Frasyniuk] Yes, I know, and I am not at all ashamed of being seen in such a light. Unless we devise and implement effective mechanisms to ensure that people who leave big enterprises are able to continue living a dignified life and to find adequate social welfare protection, there is no chance of the emergence of a genuine left-wing orientation in Poland. Moreover, I am not at all afraid of invectives directed against me.

[Frejdlich] Thank you for talking to us.

Prime Minister Suchocka Begins Visit to Vienna

WA2502071293

For reportage on the visit of Prime Minister Suchocka to Vienna, including a news conference that she gave and her talks with Austrian Chancellor Vranitzky, see the Austria section of the 24 February West Europe DAILY REPORT and subsequent issues.

Spokesman Comments on Melescanu Agenda in Belarus

AU2402184793 Bucharest ROMPRES in English 1711 GMT 24 Feb 93

[Text] Bucharest, ROMPRES 24/2/1993—At the weekly newsbriefing of the Romanian Ministry of Foreign Affairs its spokesman informed that Foreign Minister Teodor Melescanu's forthcoming visit to Belarus will be devoted to the examination, with his counterpart, of the problems forming the core of the Romanian-Ukrainian relations, in the spirit of the summit talks and agreements at Minsk in July 1992. The two sides will also agree on concrete measures and actions for the promotion of contacts at various levels, with the aim of contributing to the development of bilateral relations on new foundations of equality, partnership and mutual advantage.

The sides will also negotiate and prepare for endorsement several bilateral documents: the consular convention, the cooperation agreement in culture, science, and education between the Government of Romania and the Government of the Republic of Belarus, as well as several sectorial and economic agreements.

"While laying the stress on edifying a new, modern and well structured juridical framework of their bilateral relations, the two countries intend to examine agreements between Romania and the former USSR, which could be brought up-to-date and used temporarily until new ones are concluded," the Foreign Ministry spokesman said.

He informed the press that the United Nations Development Programme (UNDP) for 1992-96 makes provision for $9.7 million worth of technical assistance for Romania, of which $3.5 million come from UNDP own funds and the balance of $6.2 million from sources of other UN bodies. As the practice is, other financial resources are to be added to this initial budget during the exercise.

The programme is centered on assistance projects specific for the transition period, such as privatisation, assistance to small and medium size businesses, management techniques in a market economy, environment protection etc.

Yugoslav Tugboats Obstruct Traffic on Danube

AU2502094493 Bucharest Radio Romania Network in Romanian 0500 GMT 25 Feb 93

[Text] Traffic on the Danube River has been interrupted at kilometer 856, close to the Romanian locality Izvoarele.

Here are the statements made this morning to our correspondent Cornel Sorescu by Mr. Mihai Moraru, second port captain at the Drobeta-Turnu Severin Harbor Master's Office: Starting from the Yugoslav bank, 12 tugboats have been placed sideways and this makes the navigable track, whose direction in this area is toward the Yugoslav bank, inaccessible.

The Danube River toward the Romanian bank is free; however, the low water level and other numerous places with uneven levels prevent navigation. Together with Romanian authorities, experts from the international UN mission arrived in the area. The Drobeta-Turnu Severin Harbor master's office informed all convoys and navigation companies on the Danube about the situation so that traveling ships could anchor in ports or shelter areas until the situation can be clarified.

Government To Send Reform Program To Parliament

AU2402212993 Bucharest ROMPRES in English 1855 GMT 24 Feb 93

[Text] Bucharest, ROMPRES 24/2/1993—The strategy for the economic and social reform of the Romanian Government's programme shall be defended before the two houses of the Romanian Parliament jointly with a report on the 100 days' government and an abridged version of the strategy, Prime Minister Nicolae Vacaroiu announced at the Wednesday, 24 February meeting of the government.

Concomitant with the 1993 draft budget, the legislative will be presented with the 1993 social insurance budget, debated and approved at the today's meeting after its presentation by Labour and Social Welfare Minister Dan Mircea Popescu who specified that the forecasted revenue-expenditure balance will create an surplus enabling the increase of pensions in 1993. The farmers' social insurance fund is estimated at a deficit that could be compensated hundred percent from last year's surplus.

The cabinet discussed a draft resolution regulating currency circulation by tightening discipline in operations of transfer to Romania of convertible currency accruing from exports, international contracting and services, from various other deals with foreign partners. The draft proposes that companies be compelled to transfer to Romania their hard currency revenues or otherwise bear legal consequences.

At the today's meeting, the Ministry of Finance was delegated to start negotiations for the conclusion of conventions on the avoidance of double taxation of income and property with a number of states, such as the Republic of Moldova, Belarus, and the Ukraine.

The weekly meeting at the Victoria Palace ended with a cabinet decision that the final form of the strategy for economic and social reform of the governing programne should be forwarded to Parliament Thursday, 25 February, or Friday at the latest, remaining for the Parliament to decide when and how the programme is to be defended before a joint meeting of the two houses.

Iliescu Receives UDMR Leader Marko

AU2402192893 Bucharest ROMPRES in English 1608 GMT 24 Feb 93

[Text] Bucharest, ROMPRES 24/2/1993—After almost three hours consultations ended between Romanian President Ion Iliescu and a delegation of the Hungarian Democratic Union of Romania (UDMR) headed by Bela Marko.

At the end of the meeting UDMR President Bela Marko told the press that "we have exchanged views on the current political, economic, and social situation in Romania. We, as representatives of the Hungarian minority of Romania, reviewed the pressing problems of that minority, regarding both the setting up of a new juridical framework and the inefficient implementation of the current legislation on our specific problems."

The consultations will continue this afternoon, when President Iliescu is going to meet with delegations of the Social Democratic Party of Romania and the Greater Romania Party.

UDMR Wants Hungarian Integration

AU2402212693 Bucharest ROMPRES in English 1608 GMT 24 Feb 93

[Text] Bucharest, ROMPRES 24/2/1993—At the press conference given by the Hungarian Democratic Union of Romania (UDMR) today, Wednesday, 24 February, its leaders found their meeting with President Ion Iliescu as "useful" and brought to public knowledge that they informed him of the "problems the Hungarian minority is encountering."

In their opinion, of prime importance among these "problems" are: the need for a new and adequate juridical background ensuring the autonomy of religious denominations and of Hungarian-language education. In support of their claims, the UDMR leaders said they "wanted to integrate in the society while preserving their ethnic identity, and not by assimilation, like foreigners."

"We cannot identify the concept of bantustanisation with the autonomy of religious denominations," party leader Bela Marko said.

In the opinion of the Hungarian Democratic Union of Romania, the establishment of the UDMR Council of Representatives was assessed as being the "framework where political pluralism can become effective among UDMR members." Although denying that the term "the little parliament" was used, the UDMR leaders admitted that the party's new decisional body operates like one, its purpose being that of "regulating" the life of the Hungarian community in Romania.

Budapest Radio Reports on Talks

LD2402222293 Budapest Kossuth Radio Network in Hungarian 2100 GMT 24 Feb 93

[Text] The 2 million-strong Hungarian minority in Romania want to be integrated, not assimilated. This was said to Romanian President Iliescu by the leaders of Hungarians of Romania. At the same time they have asked for more rights as well as for the observance of their current rights. Tibor Bogdan reports from Bucharest.

[Bogdan] The leading politicians of the Democratic Federation of Hungarians of Romania who were received today by the Romanian head of state presented Ion Iliescu with a brief but comprehensive list of the expectations and grievances of the Hungarians of Romania. The meeting was held within the framework of a series of talks with the opposition parties of the parliament. The delegation of the representative organ of the Hungarians of Romania made it clear that the preservation of the identity of the minorities makes it absolutely necessary to guarantee the appropriate legal fraemworks and the elaboration of laws on education and minorities. They said that the self-administration, which is demanded by the Hungarians of Romania, assures the conditions as well as the pledge of survival. At the same time they added: The 2 million-strong minority wants to be integrated, not assimilated; it wishes to become an active member of Romanian society. However, it is first necessary that the government program should pay attention to its options. This, however, was not considered important by any previous Romanian Government.

There were also tense moments too at the meeting. However, President Iliescu appraised the expectations raised by the Democratic Federation of Hungarians of Romania in a positive way, and acknowledged the organization as the legitimate representative of the Hungarians of Romania. At the same time he said that it is necessary and important to hold regular discussions on issues of this kind.

Iliescu, PAC Head Discuss European Integration

AU2402193493 Bucharest ROMPRES in English 1602 GMT 24 Feb 93

[Text] Bucharest, ROMPRES 24/2/1993—Wednesday, February 24, Romanian President Ion Iliescu held consultations with Nicolae Manolescu, president of the Civic Alliance Party (PAC).

Following the interview Nicolae Manolescu told the press the meeting had occasioned the PAC's stand to be put forward on Romania's integration in the European structures.

"Despite the fact that Romania has taken lately important steps on that way," Manolescu said, "as a result of President Iliescu's visit to Brussels, the real European

integration will only be achieved when there will also be a moral integration in the European structures."

To that effect, he said, a change of mentalities was necessary first—"let us shed the belief that the IMF is making us wear a straitjacket, compelling us to do things against our will"—and then the Parliament's sanctioning of all the reform-oriented draft laws.

Expressing his availability for permanent dialogue with all political forces, PAC feels it is necessary for "a parliamentary majority to detach itself and support the reformist elements in the programme submitted by the current government," as well as the existence of an executive team capable to carry into effect that programme, once it is sanctioned.

Iliescu Receives PSDR Leader Cunescu

AU2402212793 Bucharest ROMPRES in English 1901 GMT 24 Feb 93

[Text] Bucharest, ROMPRES 24/2/1993—The president of Romania continued today his consultations at the Cotroceni Palace with political parties receiving the delegation of the Social Democratic Party of Romania (PSDR).

In a statement for the press, PSDR leader Sergiu Cunescu remarked that Romania had lately gained more credibility internationally, which he explained by the "opposition's militantism at international congresses for this country's credibility abroad."

"On the other hand," Mr. Cunescu added, "we have agreed that Romania's relations must be developed towards integration in the European structures, in the Council of Europe before anything else."

The PSDR leader said his party was concerned with the creation in Romania of a new, democratic climate, of an adequate political culture. "In this spirit, everywhere and at any time we shall plead for Romania, but we shall never conceal the truth. We must gain prestige in the world only by telling the truth."

Iliescu, RMP's Tudor Discuss Government Program

AU2502093193 Bucharest ROMPRES in English 0812 GMT 25 Feb 93

[Text] Bucharest, ROMPRES 25/2/1993—At the close of President Ion Iliescu's consultations with the Greater Romania Party [RMP] delegation of February 24, party's chairman Corneliu Vadim Tudor said they analyzed on the occasion the government program of the Vacaroiu cabinet. "For all its imperfections, the Vacaroiu program currently meets necessities, accounts for a starting point and equally for an important leap as compared with the previous, Roman-Stolojan programs," the RMP leader stated.

PDAR's Surdu Hails Iliescu's NATO Visit

AU2402192993 Bucharest ROMPRES in English 1629 GMT 24 Feb 93

[Text] Bucharest, ROMPRES 24/2/1993—In its press conference of Wednesday, February 24, Victor Surdu, president of the Democratic Agrarian Party of Romania (PDAR), hailed "the Romanian Government's preoccupation and measures to support agriculture and the farmers, the governmental team's receptiveness to some propositions set forth by PDAR."

Thus he reminded of the decision to use $7.5 million of the IBRD [International Bank for Reconstruction and Development] credit for the import of raw materials necessary to manufacture chemical fertilizers, and the allotment of 65 billion lei for land meliorations in 1993. He also said a cabinet reshuffling was unnecessary as the government's programme, although perfectible, was good.

Victor Surdu expressed satisfaction over President Ion Iliescu's visit to Brussels, saying it had "answered the desire to maintain and consolidate the country's internal stability and revealed the positive perspectives of our relations with the European and Euro-Atlantic structures."

The PDAR president appreciated the creation of the Liberal Party as "exceptional," considering it "a great step" towards the unification of the liberal movement into a strong political force.

Officials Discuss Wages, Production Decline

AU2402193593 Bucharest ROMPRES in English 1605 GMT 24 Feb 93

[Text] Bucharest, ROMPRES 24/2/1993—A delegation of the participants in the protest rally and march organised by trade union confederation "Cartel Alfa" was received Wednesday, February 24, by Romanian Premier Nicolae Vacaroiu.

"Cartel Alfa" Chairman Bogdan Hossu set forth the confederation's claims which concern mainly the process of industrial restructuring, elimination of the financial blockage, the signing of the national collective labor contract and government guarantees for the minimal salary per economy.

Premier Vacaroiu said the state's financial resources were mainly dependent upon production, which has been falling steadily. In that context he showed the government's main concern for the going year was stopping the production's decline by the end of the year.

Also tackled were matters related to corruption, the managerial contract, the recapturing of the markets in the former socialist countries.

Discussions are to continue next week.

Karadzic Guarantees U.S. Planes' Security

AU2502095193 Belgrade RTB Television Network in Serbo-Croatian 1830 GMT 24 Feb 93

[Text] Radovan Karadzic, leader of the Bosnian Serbs, today guaranteed security to the aircraft that will be participating in the food air drop operation by parachutes in eastern Bosnia, which the United States plans to carry out under UN auspices. This is stated by AFP, reporting on Karadzic's interview to the BBC. Although they consider this to be a very bad decision, the Serbs are certainly never going to shoot at an American or any other foreign plane, Radovan Karadzic said.

He also assessed that the Muslims are going to do so, and added that the Serbs did not shoot at the Italian plane on a humanitarian mission that was downed near Sarajevo last September.

Serb Army Ordered Not To Fire on Planes

LD2502120193 Belgrade TANJUG Domestic Service in Serbo-Croatian 1016 GMT 25 Feb 93

[Text] Belgrade, 25 Feb (TANJUG)—The general staff of the Serb Republic's Army [in Bosnia-Hercegovina] has ordered all its units not to open fire on planes carrying humanitarian aid and not to impede the delivery of aid in any way, the information service of the general staff of the Serb Republic's army said in a statement issued today.

The Serb Republic's Army has thus far been very cooperative regarding the humanitarian aid deliveries and has never at any point prevented the passage of humanitarian convoys.

"All aid for the Muslims has passed through our territories and has been safeguarded by us," the statement says, pointing out that "far less aid has been delivered to the Serb population, particularly in areas under Muslim control."

Members of the Serb Republic's Army have not hindered the passage of humanitarian convoys, even though some of them "delivered combat equipment to the Muslims."

The general staff's statement again points at "the huge risks involved in the planned operation" and emphasizes that "the Muslim side has on several occasions shown that it has no scruples about securing foreign military aid and military intervention."

The statement recalls the case of the shooting down of an Italian plane in September last year, which the Muslims "tried to blame on the Serbs."

Airdrop Could Start 24 Feb

LD2402193193 Belgrade SRNA in Serbo-Croatian 1715 GMT 24 Feb 93

[Unattributed article]

[Text] Serb Sarajevo—The action of air-dropping aid for Muslims in eastern Bosnia will start as early as today, the SRNA news agency reports, quoting sources close to the Pentagon.

According to the same source, the operation will be carried out under the command of the United States, not the United Nations, which only gave their approval.

U.S. cargo planes will, as envisaged in the operation plan, fly low and slowly without being escorted by fighters, which will fly along the Adriatic coast waiting for distress signals if any of the cargo planes is attacked from the ground.

Pentagon advisers said in statements this morning that they are absolutely sure cargo planes would be attacked from the ground not so much because the main command of the [Bosnian] Serb forces wants this, but because of the lack of discipline among local commanders. If a U.S. cargo plane is hit, U.S. Navy jets will attack all Serb airfields, including those in the Serb Republic [of Bosnia-Hercegovina]. Pentagon advisers stressed in their statements that Serbs are not aware of the might of the U.S. forces concentrated in the Adriatic.

UNPROFOR Commander Welcomes Aid

LD2402160093 Paris France-Inter Radio Network in French 1400 GMT 24 Feb 93

[Text] General Morillon [commander of UNPROFOR, UN Protection Forces in Bosnia] says he views very positively the U.S. plan to drop food over Bosnia. This operation is feasible and it will provide extra means for reaching certain parts of the territory, explains the UNPROFOR commander, who states nevertheless that people capable of guiding the planes will have to be put in place on the ground because the region is very mountainous. The inhabitants will also have to be prepared for it, according to Morillon, and the possible presence of observers from the three sides will need to be allowed aboard the planes.

Presidency Member Reviews Trip to U.S.

AU2402145193 Zagreb LJILJAN in Serbo-Croatian 15 Feb 93 pp 5-6

[Interview with Ejup Ganic, member of the Presidency of the Republic of Bosnia-Hercegovina, by Fahira Fejzic and Dzevad Hodzic; place and date not given: "What Remains is that We Fight"]

[Text] We talked to Ejup Ganic, member of the Republic of Bosnia-Hercegovina Presidency, just after he returned from his recent visit to the United States. While in the United States, Ganic tried to communicate to the Americans and to the Clinton administration the arguments against using the Vance-Owen plan to solve the crisis in Bosnia-Hercegovina.

Meanwhile, Clinton announced the basic lines along which his policy toward Bosnia-Hercegovina would be

shaped, and proceeded to enumerate them in the six points. From them, it is still not possible to conclude just how Clinton's United States understood the arguments which Ganic will state again in this interview with .

[LJILJAN] Mr. Ganic, you have just returned from the United States, where the attention of all of Bosnia has been riveted these last few days. The world is awaiting the attitude of Clinton's United States toward Bosnia-Hercegovina. What are your impressions?

[Ganic] I talked to the people who are supposed to prepare President Clinton's attitude on the crisis in Bosnia-Hercegovina. I talked to the so-called policymakers, I was in the White House and in the Pentagon. I met with 20 senators and a number of cultural firgures and public officials. My goal was to bring the truth about Bosnia closer to them, so they would support the approach to Bosnia as a multiethnic community and the coexistence of different peoples. We discussed the arguments against the division of Bosnia into ethnic cantons, because that would bring about unimaginable tragedies.

[LJILJAN] Like ethnic cleansing?

[Ganic] Yes. The American public already knows that many of the Muslim and Croatian people have been exterminated and driven from their homes by force, all in the hope of establishing ethnically pure zones. In this way, conditions for the ethnic division supported by the Vance-Owen plan would be fulfilled. Not only that, but the Vance-Owen plan will cause further and additional conflicts. I recounted the latest case in Trebinje to the Americans. As soon as they heard that this was to be a so-called Serbian province, the Chetniks intensified the ethnic cleansing. I pointed out that a state established with entirely pure ethnic provinces could not possibly function. Everything that you have achieved, I told the Americans, you have achieved on the basis of unity among ethnic groups, and on the advantages provided by a society established on these principles, yet you are offering us medieval formulas.

The talks were long and exhausting. I hope I had them in time. I also met the Turkish president in the United States. We had three conversations. Turkish businessmen in the United States gave a reception for me at a Washington business center. Turkish diplomats and 15 congressmen were present. President Ozal promised that when he met with Clinton, he would strive for a more efficient U.S. attitude toward Bosnia-Hercegovina and its defense.

[LJILJAN] Ozal introduced new arguments to the American people when he spoke on behalf of Bosnia-Hercegovina?

[Ganic] Yes. In several interviews President Ozal stressed the need to be precise when speaking of radicalism and an Islamic state in Bosnia-Hercegovina. The greatest danger threatening us is the emergence of radicalism in other Islamic countries. He said that what they call Islamic fundamentalism would appear in Turkey for example, but only through a revolt. He considered this to be the essential problem. In his opinion, the problem of whether this or that group will be more or less radical in Bosnia, is marginal. He said that it was a disgrace that the Bosnian Muslims, who have always been a part of Europe, were waiting to be defended by someone who is thousands of kilometers away from them.

For my part, I explained to my American collocutors that I had been elected a member of the Presidency in the so-called fourth column, and that Vance and Owen were ignoring my voters and all other ethnic groups. Seven-and-a-half percent of the population is Bosnian, formerly Yugoslav. They are Albanians, Jews, Gypsies....

[LJILJAN] Do the Americans understand this specific, Bosnian quality?

[Ganic] I believe that they understand most of it. So much damage has already been done, however. You see, at the negotiations they destroyed our delegation, our Bosnian state delegation, with their attitude. First, they invited President Izetbegovic as the head of state. Then they christened him the Muslim leader, so that he first represented one side in the conflict, and later one faction. Yet he is only president of a sovereign state. I believe that Vance and Owen should refer to him as president of the Presidency of the Republic of Bosnia-Hercegovina. True, we are also to blame for this attitude toward us. We also made some false moves at home. I proposed that we do not go to Geneva after Hakija Turajlic was killed. We simply do not have the means to negotiate as long as Sarajevo remains blocked.

[LJILJAN] How do you evaluate Izetbegovic's decision to remain in Sarajevo for the duration of the latest negotiations in the United States?

[Ganic] The president sent Minister Silajdzic. I believe that since they insist that the talks be held between three ethnic groups, someone from the SDA [Party of Democratic Action] should have been sent. However, you then have three political parties, while the rest are nowhere in sight. You cannot neglect a single political party, even if it has only one deputy in the parliament. Our position on this level is advantageous because most of our parties are for Bosnia-Hercegovina.

[LJILJAN] How would you comment on Kinkel's recent visit to Washington and his attempts to convince the United States that they should accept the Vance-Owen plan?

[Ganic] Personally, I believe that this reflects Kinkel's personal attitude and that of his party rather than German policy. We will discuss this with Chancellor Kohl.

[LJILJAN] Izetbegovic recently said that Vance and Owen are trying to save Geneva rather than Bosnia. To what extent does this view of Geneva hold in America?

[Ganic] Yes, certainly. This plan quickly failed the test of American democracy. Karadzic was literally stripped to

the bone in the United States. This was public mockery. His television interviews were such that it was evident he was lying. For example, he said that we did not surround Sarajevo, or, we are not shooting. In one such interview the interviewer said to him: "Do you really believe that we are all idiots here and that you are the only intelligent person?" Nonetheless, the American people find him interesting in much the same way in which they would find Hitler interesting if he were to rise from his grave today. Such people are as interesting as psychopaths. Criminals of this kind appear once in a hundred years. They are like interesting monsters that need to be studied.

[LJILJAN] You are known for the fact that you have spent the most time in Sarajevo since the war started. You would sometimes go out in the world on important business. We would like to know how you see Bosnia from inside Bosnia and from the outside world. It seems that there is more optimism for Bosnia in Bosnia itself. Outside Bosnia, at times perhaps even maliciously, an atmosphere of defeatism has been created.

[Ganic] I feel a lot more stable in Sarajevo. There is a lot more faith. In Sarajevo, I am stronger and much happier. I simply feel that my place is there. Our situation in Sarajevo, except for the physical hardships, is morally stronger everyday. People are increasingly in the situation where they have no other choice except to win. This might seem like a paradox, but that is the way it is. We must enlist the help of Bosnians in Bosnia and throughout the world. We must fight, no matter how long it takes.

[LJILJAN] Mr. Ganic, how do you assess Butrus Ghali's role?

[Ganic] You see, it is quite all right to ask yourself: What is the United Nations and who does Butrus Ghali represent? Ghali did not engage the international community in negotiations about Bosnia. Vance and Owen are not the international community. People in the Security Council said to them: Listen, gentlemen, we are seeing you now for the first time. You want support, but we did not participate in the negotiations.

[LJILJAN] At the OIC [Organization of the Islamic Conference] conference in Jeddah, the Islamic countries issued some kind of ultimatum to the international community regarding Bosnia-Hercegovina. What line will the Islamic countries and the Conference of Islamic Countries in general, take in the present situation?

[Ganic] The Islamic countries must turn their political decisions into concrete action. By this time, everyone has made every imaginable and unimaginable kind of resolution. We are tired of this. There is only one way out for us. It lies in our defense. The embargo on importing weapons must be lifted. No one has the right to withhold our right to defend ourselves, not even the Islamic countries. Their role will be to put pressure on the international community and the United States through the United Nations and the OIC using every deadly means at their disposal, so that Bosnia-Hercegovina gets its legitimate right to defend itself from aggression, fascism, and genocide.

[LJILJAN] How are the American people and policy makers reacting to the brutality of the war in Bosnia-Hercegovina, primarily to the high incidence of rape?

[Ganic] This is the first time that an army, the Chetnik Army in this case, has the raping of women as its main assignment and strategic goal. There has never been anything like it in history. It is a crime planned at the highest political level in Belgrade. A village is surrounded. Girls and women are singled out and taken to schools and other places, where they are raped. This is organized crime. The American people and policy makers have to take a stand.

[LJILJAN] While you were in the United States fresh conflicts broke out between the Army of Bosnia-Hercegovina and the HVO [Croatian Defense Council].

[Ganic] No one should take advantage of the crisis and war that has engulfed Bosnia-Hercegovina. We do not accept the formation of a parastate [paradrzava]. The Americans are closely following the events in Bosnia-Hercegovina. They will ask for official statements about events in Bosnia-Hercegovina from its neighbors. On the other hand, the attempt to form a state within the state of Bosnia-Hercegovina takes us back to a map of the Balkans as it was in the beginning. This in turn, means the emergence of states in Serbia, Croatia, Macedonia....

[LJILJAN] Do you not think that the latest conflicts between the Croats and the Muslims might reflect negatively on the lifting of the embargo?

[Ganic] While in Cleveland, which happens to be the largest Croatian enclave in the United States, I spoke to the Croats there. They greeted me in a large room with a Bosnian flag in the center, flanked by those of Croatia and the United States. Their message is that in every place in Bosnia-Hercegovina, its flag should have a central position. If they wish to do so, people can also hang the Croatian flag as a national flag. In Cleveland, however, they say that there must always be a Bosnia flag present. They support Bosnia-Hercegovina as a state, and they believe that dividing it would be a catastrophe. They are able to see the situation more clearly in the United States.

[LJILJAN] It seems that Boban's and Kordic's Croats in Bosnia would not greet you in this way. During the latest conflicts in central Bosnia, they denounced you as being a part of the Sandzak or Belgrade lobby.

[Ganic] I do not have anything to say about this. I am Bosnian. There are Bosnian Muslims living in a wider area. After the liberation of their country they must fight for their people in Sandzak. I do not belong to any lobby. I give everything I have to Bosnia. Before the war, I was very wealthy. The only thing I did not have was a

country, but I will have everything once the war is over. I will be rich only when we liberate Bosnia.

Karadzic To Head Delegation at New York Talks

LD2402233493 Belgrade TANJUG in English 2323 GMT 24 Feb 93

[Text] Belgrade, February 24 (TANJUG)—President of the Serb Republic in Bosnia-Hercegovina Radovan Karadzic said on Wednesday [24 February] evening that he would head the Serb delegation at the New York talks and that cochairman of the conference on former Yugoslavia Cyrus Vance had given him strong assurances that the Moslem side would be headed by its leader Alija Izetbegovic.

Karadzic told the Bosnian Serb news agency SRNA that the Serb delegation would leave for New York on February 26.

The Serb side could not accept that the Moslem delegation be headed by its Foreign Minister Haris Silajdzic because of the importance of the questions for all three sides to the Bosnian conflict, he said.

"We are leaving for New York deeply aware that the peace conference is going through a serious crisis and we don't want to be blamed for its possible failure," said Karadzic, adding that the Bosnian Serb delegation was leaving for New York "in an atmosphere of uncertainty and pressure to which we are sure to be exposed."

If the talks succeed, the Serbs will "insist on the second, third and fourth negotiations" because that is the only way peace can be acheived, he said.

Izetbegovic's statement to the daily INDIAN EXPRESS that the war would last ten years and Moslem insistance on war could lead to "a failure of talks and force us to defend our very existence with all available military means," said Karadzic.

Asked whether it was true that U.S. President Bill Clinton personally guaranteed his safety, Karadzic said: "Only partially, although Vance and Lord Owen informed me in a telephone conversation that (UN Secretary-General Butros) Butros-Ghali and Clinton insist on my heading the Serb delegation."

U.S. Involvement in Negotiations Discussed

AU2402204293 Sarajevo Radio Bosnia-Hercegovina Network in Serbo-Croatian 1800 GMT 24 Feb 93

[Senada Cumurovic report on visit by Alija Izetbegovic, president of the Bosnia-Hercegovina Presidency, to Sarajevo University on 24 February]

[Excerpt] [Passage omitted] During his visit to the university, how to achieve peace was one of the questions that interested the dean and the lecturers most. Mr. Izetbegovic replied:

[Begin Izetbegovic recording] My impression is that particularly when such a complicated issue is involved as the Balkan issue is at present, and the Bosnian issue within it, very few people know how the situation will develop. There are so many factors involved; there are so many sometimes completely unpredictable factors, so many axis and forces that all pull in different directions, that it is difficult to figure out the outcome of all this.

At the moment I only know that when I go over there [to New York], I will go to strive for a peaceful solution, if possible, for the so-called just and peaceful solution. By that I mean a peace that would fulfill some of the legitimate and fundamental aspirations of the Bosnian citizens, which are, a sovereign, independent, and democratic country.

The fact that the United States is taking part in this process is by all means a new element in all this. The United States observed all this from a distance for a long time. It became apparent long ago that without U.S. participation there would be no real solution, that we were turning in a vicious circle. It was clearly evident that the United States' significance was great and that without the participation of a superpower like the United States things would not (?move on).

Then, as you recall, the Europeans took matters into their own hands, but no result was forthcoming.

Now that the United States and in a way Russia also are taking part, the things will probably start moving in some direction, toward a sort of peace. We, of course, do not want this peace to be imposed upon us. They say it would not be imposed. [end recording]

Further on Coup Plot Izetbegovic, Haililovic

AU2502080993 Belgrade VECERNJE NOVOSTI in Serbo-Croatian 22 Feb 93 p 8

[Article by A. Hrsum: "Babo Is Replacing Alija?"]

[Text] According to information obtained from the Information Service of the general staff of the army of the Serbian Republic of Bosnia-Hercegovina, there is a split within the Muslim leadership in the former Bosnia-Hercegovina, which is proved by the fact that a coup was planned. The protagonists of the planned coup are leading Muslim politicians from their army, who support a Croatian-Muslim coalition, as well as leading politicians from Croatia, who support the Croatian-Bosnian alliance with the aim of creating an independent Croatian state stretching as far as the Drina River in the east.

The coup plan was prepared on the Croatian side by Josip Manolic, head of the Center for Constitutional System Protection in the Republic of Croatia, and Gojko Susak, Croatian defense minister, and on the Bosnian side by Alija Delimustafic, the former minister of the interior and Fikret Abdic-Babo, member of the Presidency of the former Bosnia-Hercegovina, who has not

taken part in the work of the presidency for a full year now. Arif Pasalic, commander in chief of the Fourth Corps of the so-called Army of Bosnia-Hercegovina, also played a role in the planning of the coup on the Muslim side.

It was planned that Alija Izetbegovic be isolated and Sefer Halilovic murdered. This would be an important blow to the fundamentalist wing of the Muslim leadership. The Fourth Corps of the so-called Army of Bosnia-Hercegovina was to be entrusted with the implementation of the coup. Directly in charge would be those formations loyal to the leaders—the supporters of the Croatian-Muslim coalition.

The president of the future puppet state of Bosnia-Hercegovina would be Fikret Abdic-Babo, and the commander of the General Staff Arif Pasalic—the two who have already become known as unreserved supporters of the alliance between Croatia and Bosnia-Hercegovina.

The planners of the coup think that the present moment is favorable for several reasons: the bad situation in the Muslim Army, the dissatisfaction of the Moslems with the whole situation, the disastrous effects of the fundamentalist policy and the lack of international support for this policy, the mistake made by boycotting the humanitarian relief supplies and, apart from that, the extremists and criminals who take advantage of the humanitarian aid and have the support of the present leadership, and the Croatian interest in not expanding the conflicts between Croats and Moslems.

Karadzic on Assassination Plot

LD2302174093 Belgrade TANJUG in English 1648 GMT 24 Feb 93

[Text] Kragujevac, Feb 24 (TANJUG)—The Moslem lobby has prepared assassination of all Serb leaders and politicians in Bosnia and Serbia, Bosnian Serb leader Radovan Karadzic said on Radio Kragujevac on Wednesday [24 February].

Talking about news from New York of plots to assassinate him, Karadzic said that "state terrorism, the ideologist and instigator of which is Alija Izetbegovic, is in question."

Karadzic said that he was still uncertain whether he would go to New York to resume UN talks on the Bosnia-Hercegovina crisis and that decide whether to head the Bosnian Serb delegation depending on Bosnian Moslem leader Alija Izetbegovic's decision to attend.

"We are not negotiating with the UN but among ourselves [words indistinct] warring sides," Karadzic said and added that the Bosnian Serb delegation would go to New York at all events.

Karadzic said that it would be the best to postpone the discussion of the maps for a more peaceful time. Signatures should be placed on a document ending the war in Bosnia-Hercegovina at this euphoric moment, Karadzic said.

Major pressure is expected to be exerted on the Serb side at the second round of the New York talks, but the Bosnian Serb delegation will not abandon its request that the Serb people live freely on their own territory and that they be connected, Karadzic said.

Karadzic qualified U.S. President Bill Clinton's decision to parachute aid to the Bosnian population as dangerous, saying it represented additional pressure on the Bosnian Serbs. Karadzic believes that two to three such flights in all might be made.

Muslim, Croat Parties To Set Up Joint Teams

AU2502113793 Sarajevo Radio Bosnia-Hercegovina Network in Serbo-Croatian 1800 GMT 24 Feb 93

[Text] Jadranko Topic, deputy chairman of the Croatian Democratic Community for Bosnia-Hercegovina, and Zijad Demirovic, chairman of the regional committee of the Party of Democratic Action for Hercegovina, have issued the following statement from their joint meeting held in Mostar today:

In conformity with the agreement between Franjo Tudjman, president of the Republic of Croatia, and Alija Izetbegovic, president of the Presidency of the Republic of Bosnia-Hercegovina, as well as the talks between Alija Izetbegovic and Mate Boban, it was agreed to form teams of experts who will work on setting up civilian authorities in the regions populated by Muslims and Croats and to do so in the spirit of the Geneva conference.

The meeting fully supported the UN Security Council decision on forming an international tribunal for war crimes committed on the territory of the former Yugoslavia.

Representatives of the Party of Democratic Action and Croatian Democratic Community are going to hold weekly joint meetings in Mostar, at which they are going to find solutions to all joint issues.

'Positive' Move in Croatian Policy Viewed

AU2402210993 Sarajevo Radio Bosnia-Hercegovina Network in Serbo-Croatian 1800 GMT 24 Feb 93

[Text] Is the Croatian policy toward Bosnia-Hercegovina changing? If the statements made in Zagreb recently are sincere, then it seems that this is the case. If it so, then Zagreb is renouncing Herceg-Bosnia as a state within the state. On what can these assumptions be based? Ejup Ganic, member of the Bosnia-Hercegovina Presidency explained this in Zagreb today for the Bosnia-Hercegovina Radio and Television. He came to these conclusions after the Croatian-Bosnian-Turkish talks in

Zagreb. The main highlights of the above talks are conveyed to us by Nada Al-Isa:

[Begin Al-Isa recording] The latest statement by Croatian President Tudjman about the integrity and indivisibility of Bosnia- Hercegovina came after his talks with Turkish President Ozal. It is explicitly stated in the joint Turkish-Croatian statement that Bosnia will remain unified and indivisible, in the form in which it was internationally recognized. This was a finale of the two-day Croat-Turkish-Bosnian talks in Zagreb.

After his arrival in Zagreb, the Turkish president first held talks with Ejup Ganic, vice-president of the Bosnia-Hercegovina Presidency. Therefore, Ozal first wanted to learn about the Bosnian position and only subsequently met Tudjman. The joint statement about Bosnia followed then. Afterward, Tudjman received Ejup Ganic, and another statement favorable to Bosnia-Hercegovina ensued.

The Croats and Muslims must resolve their misunderstandings through talks. Well, a novelty must be emphasized in this regard, Ganic pointed out. For the first time, the Croatian side presented no conditions in the style of: You give us Herceg-Bosnia, and we will support integral Bosnia in return. Ejup Ganic believes that this is a big, positive move of the Croatian policy toward Bosnia-Hercegovina. If this is so, then the Croatian-Bosnian relations still have a chance, and the letters of anything but a gentle nature exchanged at the highest level between Zagreb and Sarajevo will no longer be required.

Time will tell what was the role and merit of Turgut Ozal in all this. However, we should not forget another fact. Namely, Ozal arrived in Zagreb after he had held talks with U.S. President Bill Clinton. This is Nada Al-Isa reporting for Bosnia-Hercegovina Radio and Television from Zagreb. [end recording]

French Aid Convoy Arrives in Sarajevo

LD2502092493 Paris France-Inter Radio Network in French 0800 GMT 25 Feb 93

[Excerpt] The humanitarian convoy Alsace-Sarajevo finally arrived in the Bosnian capital after a 1,800-kilometer-long journey through Germany, Austria, and the Balkan states. [passage omitted]

'Chetnik' Attacks on Gradacac 'Growing Fiercer'

AU2402195593

[Editorial Report] Sarajevo Radio Bosnia-Hercegovina Network in Serbo-Croatian at 1800 GMT 24 February carries the following reports from the battle zones:

The announcer in the studio says that "most of the battlefields in Bosnia-Hercegovina were more peaceful than in the last 10 months." However, as he says, this does not apply to Gradacac and Brcko.

A report by Gradacac war presidency claims that the lines of defense in Vide, Pozarike, and Begov Konak have been pounded by "fierce artillery fire" since 0600 GMT. "After a fierce artillery preparation, the aggressor carried out an infantry attack in the northwest of the battle front, supported by tanks and antiaircraft machine guns," the report further states, also reporting the regrouping of enemy's troops and military hardware in Porebrice, Grabov Gaj, Slatina, Ledenice, Skugric, and Krecane Gornje. The report then says that combined attacks by infantry and armored mechanized units at Novalici, Vide, Pozarike, and Begov Konak, continued between noon and 1500 GMT. As it is stated, "Chetniks are not bothered by extremely cold weather," and "as the night approaches their attacks are growing fiercer." Supposedly, the lines of defense remained unchanged despite all the attacks.

Correspondent from Brcko Hamiz Deronjic reports that "the aggressor" has been attacking Licki Most, Rijeke, Dizdarusa, and Omerbegovaca with recoiless guns and mortars that were accompanied by increased activities of "the Chetnik infantry." He further reports that Bosnian positions in the southwest part of the front have been attacked by antiaircraft machine guns and antiaircraft guns.

The correspondent from Celic says that "10 tank grenades were fired at Celic" today.

The correspondent from Olovo reports "that the entire town area and the positions of the defenders were on several occasions showered by 122-mm Howitzer grenades" from Kolakovici. He reports that mortar fire was also directed at the lines of defense, but adds that defenders of Olovo did not respond.

"The Chetniks fired several mortar bombs and guided rockets at the town" this afternoon, correspondent from Maglaj Hajrudin Permic reports, and caused great material damage.

Sabaheta Malkic in her report on situation in Sarajevo says that "the situation in the city is deteriorating, judging by the reports that we have." She reports that "the Chetniks are sporadically shelling Gazin Han" while fire is being opened from antiaircraft machine guns and antiaircraft guns from Trebevic at Jercedoli. "The Chetniks also shelled Hum Hill in the afternoon," Malkic adds.

Attacks Continue

AU2502110793

[Editorial Report] Sarajevo Radio Bosnia-Hercegovina Network in Serbo-Croatian at 0900 GMT on 25 February carries in its regular 13-minute newscast several reports on the fighting in the republic.

The Gradacac Information Center reports that "the infamous Chetnik artillery strongholds in Skugric, Pelagicevo, Misici, Modrica, and Vis did not take a break yesterday from pounding the free territory with

mortars, tanks, heavy howitzers, and antiaircraft guns. About 4,000 shells landed on the defense lines and civilian targets on the free territory. It was one of the worst days in this 10-month long war. The shelling of the defense lines in Novalici, Vida, Pozarike, and Mionica continued overnight. The situation is no better this morning, as the heavy snow does not appear to bother the Chetnik artillery in its criminal work."

The Brcko Press Center reports that "the Serbian-Chetnik aggressor kept up the attack on the central part of the front last night with particular ferocity. The enemy pounded Licki Most with 60 and 82-mm mortars. The wider region of Rijeke was shelled with tanks from Solaje, while the defense lines were pounded with mortars from the Lokomotiva football stadium and an antiaircraft gun from (?Pavlovica Pucara). Last night the Chetniks attempted an infantry breakthrough in Lucici, but the defenders repelled the attack with heavy fire. The rest of the night passed in provocative fire from small arms." The report further states that "the suffering of Muslims and Croats is continuing under the Chetnik authorities in the temporarily occupied part of Brcko. Sniper attacks are a daily occurrence. The latest massacre carried out by the Chetniks occured in Prnjavor on the night of 16-17 February. Since it was a poor family of three, the motive could not have been robbery. The only reason these people were killed was because they were Muslims."

Reporting from Tesanj, Ahmet Kundur says that "the heaviest fighting overnight was reported in Ovanjska, where the Chetniks fired dozens of 82-mm mortars. The morning is relatively quiet with occasional fire from small arms."

Adnan Djonjic reports from Zavidovici that "the Chetniks tried to infiltrate a sabotage group in Rujnica at about 2000 [1900 GMT] last night. They were deterred in this attempt, so they quickly withdrew with losses in weapons and men. After this failure, the Chetniks fired throughout the night with machine guns, snipers, and small arms."

In his report from Doboj, Mirudin Aldobasic says that "apart from sporadic provocations in Putnikovo Brdo and Matuzici, the night passed in total quiet. The aggressor only occasionally made himself heard with small arms, so the members of the 203d Motorized Brigade had no reason for any serious intervention. The morning is also quiet."

Reporting from Sarajevo, Irfan Calo says that "the morning is relatively quiet. However, the time of the Chetnik snipers comes with the rising of the mist," warning citizens to be careful on the intersections.

The Vogosca Press Center reports from Vogosca that "it is still relatively peaceful on this front. There are occasional armed provocations along the frontline, and some fire from snipers and hit men [sijac smrti] directed at Kobilja Glava. At the moment of reporting, a howitzer from Mrkovici is firing at Sarajevo."

Defense Council Supports Forming War Crimes Body

LD2402221593 Zagreb Radio Croatia Network in Serbo-Croatian 2100 GMT 24 Feb 93

[Excerpts] The fourth session of the Council of Defense and National Security was held in the Presidential Palace this evening under the chairmanship of Croatian President Franjo Tudjman. Here is a statement: [passage omitted]

The foreign minister briefed the Council about the most important facts from UN Security Council Resolutions 807 and 808. The Republic of Croatia, as it was stressed, supports the setting up of the International War Crimes Tribunal, and is going to lend full support in this regard to this international body. The Council also examined steps being taken regarding the normalization of the situation in UN protected areas and particularly regarding the normalization of transport and other forms of communications and was also informed about the concrete implementation of conclusions reached at a recent session of the government on the eradication of crime.

Trials of Serb Generals Demanded

LD2402195093 Zagreb Radio Croatia Network in Serbo-Croatian 1800 GMT 24 Feb 93

[Text] The Split district state prosecutor has requested the investigation center of the Split District Court to institute criminal proceedings against Ratko Mladic and Mile Novakovic, generals of the former Yugoslav army, and Milan Korica, captain of the so-called army of the Republic of Serb Krajina, for their war crime against the civilian population.

There is a well-founded suspicion that while Serb rebels were withdrawing from the Peruca dam on 28 January, their experts planted enormous quantities of explosives in the dam, and the suspects ordered their troops to activate the explosives and thus destroy the dam.

Commentary on Forming Tribunal

LD2302221193 Zagreb HTV Television in Serbo-Croatian 1830 GMT 23 Feb 93

[Commentary by Branimir Bilic]

[Text] Who needs to be reminded of hundreds of thousands of casualties, thousands of missing and raped persons, death camps, ethnic cleansing, all those who lost their arms, legs, eyes? The world most certainly does not need reminding: following two years of destruction and crimes in Croatia and Bosnia-Hercegovina the international community decided to oppose the Serbian fascist force not by force, but by the international law for the time being. Why is the world doing it now and for what reasons?

First, it is trying to stop crimes which are still being perpetrated and for which it is also to blame. Second, under the pressure of international [public opinion] and its own domestic public the very same world unanimously appeased its guilty conscience by the establishment of the tribunal. Third, it wants to show that in the democratic world the law is nevertheless above every crime and violence for which responsibility needs to be established.

Therefore, I would like to remind you that the world stopped Hitler's fascism both by force and in court. The world is trying to stop the present-day Milosevic's fascism by negotiations and compromising, by treating the victim and the aggressor in the same way, by giving right to the stronger one, and practically bringing into question the natural right to self-defense of small nations, such as the Muslim and Croatian nations.

Those who allowed Vukovar, Skabrnja, Zvornik and Bijeljina [destroyed towns in Croatia and Bosnia], that is both Europe and the world, have failed their moral exams. Croatia, Bosnia-Hercegovina, and Somalia—it is the same thing to them—a world of the innocent and hungry who need to be fed by humanitarian aid and parcels from Kurdistan, the last hypocritical act in the 20th century, which allowed some to survive while others are being killed.

If for nothing else, it is for that reason that the advocates of the global world policy will end up in a court of human conscience. The international war tribunal can only partly rectify the mistakes which have been committed and bring to justice both the creators of greater Serbian policy, those who committed an unheard-of genocide, that is, Milosevic [Serbian president] and Karadzic [Serbian republic of Bosnia-Hercegovina president], and their executioners, Generals [Blagoje] Adzic [former Yugoslav National Army chief of staff], [Zivota] Panic [Yugoslav Army chief of general staff], [Ratko] Mladic [Bosnian Serb commander], and [Veljko] Kadijevic [former Yugoslav defense minister] and criminals like [Vojislav] Seselj [Serbian Radical Party head], [Zeljko Raznjatovic] Arkan [paramilitary leader and Serbian parliamentary deputy], [Milan] Martic [Republic of Serbian Krajina interior minister], and numerous other as yet unpunished protagonists of the Croatian and Muslim drama.

Will they be called to account by the states and peoples against whom they committed crimes? Will they avoid the gravest punishment? Or will they be tried in absentia, that is, never?

Clearly, those from the Croat and Muslim side who committed crimes, though in defense of their homeland, will be put on trial because there can be no special cases when it comes to crime.

Every civilized and democratic state, including Croatia and Bosnia-Hercegovina, will accept international law. Will the aggressor do the same? The world should finally know this. Hence, the real question is whether only a tribunal can halt greater Serbian conquest and crimes?

Krajina Official Rejects Recognition Deal

AU2402152093 Belgrade Radio Beograd Network in Serbo-Croatian 1400 GMT 24 Feb 93

[Report by Jelena Vidic on the "just ended" news conference by Mile Paspalj, chairman of the Assembly of the Republic of Serbian Krajina; place not given]

[Text] In New York, we had meetings with cochairmen of the Conference on Yugoslavia Vance and Owen and their associates, Ambassadors (Okun) and (Arens), Milan Paspalj said. During the first days of talks, our delegation was offered recognition for the Republic of Serbian Krajina if it gives up the pink zones, he stressed. We rejected this because the Serbian ethnic regions cannot be traded. We demonstrated our readiness to cooperate by offering the Maslenica Bridge, Zemunik airport, and the Maslenica-Zadar road to be put under the UN control, and to be accessible for use by both Serbs and Croats, Paspalj said.

However, if the talks are to be held with Croatia our condition is still that they respect Resolution 802 and that the Croatian army withdraw from the occupied territories, he said. He also said that Vance and Owen showed particular interest in the following view of the Krajina delegation: A precedent has happened in the history of the United Nations. Its territory was attacked by a member and is being defended by a nonmember of the United Nations.

Village in Krajina 'Liberated' by Serbs

AU2402162293 Belgrade Radio Beograd Network in Serbo-Croatian 1400 GMT 24 Feb 93

[Report by Danko Peric from Krajina]

[Excerpt] The Headquarters of the Serbian army of the Republic of Serbian Krajina has just announced that the village of Dragisici in the Vodice hinterland has been liberated. The brief information issued by the press center states that between Vodice and Benkovac, in the Mala Cista region, the Croatian army started a combined attack. The Croats suffered major losses in terms of both manpower and equipment. The Ustasha units were routed, and the Serbian village of Dragisici was liberated. A strategically important peak of Sveti Juraj was also captured. As we have learned, three Krajina fighters were wounded in the fighting today. [passage omitted]

* Ozal Zagreb Visit Lifts Croat-Muslim Ties

93P50062A London AL-HAYAH in Arabic 23 Feb 93 p 9

[Report by As'ad Taha]

[Excerpts] Zagreb—Sources close to the Bosnian Government expect to witness a sudden improvement in relations between the Muslims and Croatians as the first fruit of the visit that Turkish Presidnent Turgut Ozal made to Zagreb and of his visit with his Croatian counterpart, Franjo Tudjman. [passage omitted]

In a talk with AL-HAYAH, Croatian Ambassador to Turkey (Hedayet Bishteshvic) confirmed the positive results that Ozal's recent trip to Zagreb had achieved. He said: "Preparations are now being made at the highest level and through numerous working committees for an Islamic-Croatian dialogue to establish a joint military command and arrive at the best solution for a constitutional arrangement for the future of Bosnia-Hercegovina.

He added that the Turkish and Croatian sides agreed join efforts with the Muslim and Croatian parties in Bosnia to create strong, permanent strategic ties between the two peoples and to "find new potential elements to complete the Vance-Owen plan to participate in a final solution of the Bosnian problem."

(Hedayet) said that the Turkish president's visit was very fruitful and pushed relations between the two countries to an higher level.

He said: "I believe that this will have a positive effect on relations between the Croatians and Muslims in Bosnia-Hercegovina."

AL-HAYAH asked (Hedayet) whether the high-level meeting at which Janko Bobetko, the commander in chief of the Croatian Army, met with the deputy commander in chief of the Turkish Army and the commander in chief of the Turkish Air Force was productive. He said: "I did not participate in those talks, but they were held to exchange points of view on matters of mutual interest to the two countries."

He also explained the reason for Ankara's mounting concern to establish a strong relationship with Croatia. "It appears to me that this concern is natural from the Turkish point of view in order to assign roles in southern Europe and the Balkans. Turkey considers Croatia to be the West's potential partner in the efforts being made to stabilize the western part of the territory of the former Yugoslavia, while Turkey aspires to play a role itself in the southern part."

Shaykh Jakub Selimoski, chief of the ulema (the highest religious title for Muslims in the former Yugoslavian territories), said to AL-HAYAH that for the first time, the Muslim world has been granted the opportunity to defend the Islamic entity inside Europe itself and that it is "natural that Turkey has a prominent role in this matter, especially since the area was under its control for a long time." However, he does not think that the Turkish role in the Balkans is within the framework of competition with Iran over the large groups of Muslims outside the traditional Islamic world. He indicated that the tangible data in the Islamic republics of the former Soviet Union differ completely from the Balkan situation" in that our origins here do not go back to Turkey or Iran. We are Muslims of European origin and we are awaiting Islamic aid from any source."

Shaykh Jakub, who met Ozal during his recent visit to the only mosque in Zagreb, added that "the Turkish president's Balkan tour will have major political consequences." He agreed with (Hedayet) that the results of Ozal's visit to Zagreb will reflect "clearly and rapidly on relations between the Muslims and Croatians."

This expectation was strengthened by the announcement of a closed meeting in Zagreb—immediately after the departure of the Turkish president—between Bosnian Vice President Eyup Ganic, Hasan (Shangic)—a member of the Bosnia-Hercegovina Army General Staff—and the Croatian president.

Sources told AL-HAYAH that "a broad opening of relations between the Muslims and Croatians" would be the first fruit of the Turkish visit. The same sources added that the Croatian side welcomed the mediation of the Turkish side and that Bosnian President Alija Izetbegovic "accepted" it. [passage omitted]

Relations With UNPROFOR; Russia Factor

93BA0585A Zagreb DANAS in Serbo-Croatian 4 Feb 93 pp 14-15

[Article by Stjepo Martinovic: "Uselessness of Blue Do-Nothings"]

[Text] *By introducing time limits to the Vance plan, Croatia has also cast new light on vague Orthodox aspirations toward the Adriatic coast.*

With every day of the "limited action by Croatian police and military forces," despite the abatement of the flood of media analysis of what are no doubt the most unusual preparations for construction in the history of bridge-building, it becomes clearer that this "unilateral Croatian blow to the very foundations of the Vance plan" provides a perfect gauge of the effectiveness of the entire UN peacekeeping ideology.

Indeed, after Cyprus—where the failure of the world organization's peacemaking mechanisms will be 30 years old next year—and Cambodia—where what is only the latest attempt by the United Nations to end the entropy within a country and nation is collapsing—Operation Maslenica is a paradigmatic response by a party that recognized in the uselessness of the "blue helmets" and of the accompanying diplomatic game its own inevitable loss.

The key to the Croatian decision to resort to "alternative means" that are fundamentally unpopular and dubious from the standpoint of propaganda lies in the very document which, in the interpretation of those opposed to the Croatian "initiative," is directly invalidated by this move: the Vance plan. Specifically, of the promises enumerated in that document—in the chapters that discuss the demilitarization of the areas under UN protection, the duties of the "blue helmets" in them, and the return of exiles to their homes—nothing more than the withdrawal of the (former) JNA [Yugoslav People's Army] has come true one year later.

Shortcomings of the Vance Plan

The rebel Serbs' units of so-called territorial defense have not been disbanded; a police force with a proportional ethnic composition has not been set up in the "protected areas"; the other basic conditions for the return of "displaced persons" to their homes have not been met—except where the Croatian authorities have made this possible for a small share of the exiles. Thus, it comes as no surprise that the Croatian state leadership, assessing all these facts in light of the general situation in the country, the current temperature in the ex-Yugoslav region, and the balance of power on the international stage, concluded that Cyrus Vance and David Owen must be helped. By introducing to the UN peace plan the key element that it lacks and that makes it so hopelessly sterile: time, deadlines!

Because as Sarajevo commentator Alija Isakovic wrote so picturesquely, "UNPROFOR [United Nations Protection Force] is the sort of institution that transforms a temporarily adverse situation into a permanently adverse situation," while the only thing that Croatia wants is for UNPROFOR, if it can, to temporarily transform the adverse situation that has lasted for a year now into a favorable situation. Whereby if UNPROFOR were to hint at the potential for such a turnaround, then Croatia would have patience and willingness to cooperate further. But with the mandate that it has now, UNPROFOR simply cannot do any more.

In the document directly inspired by the December letter by President Tudjman to the Security Council, this was also acknowledged by UN Secretary General Butrus-Ghali; in his report to the "world government" of 12 January, he added a strong (and apprehensive) note to his assessments of 28 November, according to which "the Croatian government and local Serb leaders in Knin are showing a growing disregard for the agreement... violating the law and regulations on the authorities of local institutions, generating lawlessness and chaos... and, using the presence of UNPROFOR, refusing to withdraw from the 'pink zones'" (which B. Butrus-Ghali calls Serbian enclaves in Croatia!).

If we separate out from this rhetoric Butrus-Ghali's (and not his alone) inevitable fair division of responsibility for the failure of the Vance plan into "Croats and Knin" (as the secretary general specifies the sides in the conflict), it is nevertheless quite clear that the "mystery" does not lie in the "growing deficit of will to cooperate" (relatively speaking) on both sides, but rather in the notorious incoherence of the document that was supposed to provide a way to solve the problem. In the fact that it contains not even an indication of what the United Nations, as the mandate organization, should or can do to a party that delays or prevents implementation of the plan.

Misuse of Knin Authorities

As can be seen from the situation in the UNPA's [United Nations Protected Areas], not one word of the (ceremoniously signed!) provisions of the final document from the London Conference has "taken root," according to which "all sides to which this apply" were obligated to "work on normalizing conditions in Croatia, the realization of the Vance plan, and acceptance by Serbs in the 'borderlands' of the special status stipulated for them in the draft EC Convention on the Former Yugoslavia." The rebel Serbs, as Viktor Maier pointed out (back on 22 September 1992) in FRANKFURTER ALLGEMEINE ZEITUNG, did not "(even) comment on Tudjman's promise, on his speech before the Assembly, on the maximum indulgence in judicial proceedings and the realization of all rights..., on the signals of accommodation that the United Nations and the Serbs cannot ignore for long if they want to avoid charges of political irresponsibility." Indeed, even Butrus-Ghali's "Observations (IV) on the Situation in the 'Pink Zones'" of 7 December of last year—although garnished with a balancing ikebana about "imprudent statements and provocative moves by Croatian authorities"—contains the assessment that the "Knin authorities are directly responsible for disregard of the UN Security Council peace plan." On the same occasion, the UN secretary general reproaches the "Knin authorities" for "using the presence of UNPROFOR to realize its pretensions of statehood and sovereignty, instead of cooperating in the creation of conditions under which their legitimate aspirations can be realized through negotiation."

In Moscow's Embrace

The details of how the intervention by the Croatian constabulary and military units proceeded and what it gave rise to on the rebel side are more or less known, as is the reaction by the institution whose arbitration was "desecrated" by that move—the (already famous) Resolution 802, under which the armed forces of a sovereign country are ordered to desist from antiterrorist activities on their own soil. Indeed, in the very preamble of that document, the styling of the text suggests that Croatia militarily attacked an area outside its borders, or rather outside the territory over which it exercises state sovereignty. Obviously, this is an interesting precedent which, among other things, raises the question of whether an "area under UN protection" is in some way isolated by the "insinuated institution" of limited sovereignty of the country to which it belongs. Or rather, in signing the Vance plan, did Croatia in fact agree that the other two parties to the agreement, (the former) Yugoslavia and the United Nations, could indefinitely deny the Republic of Croatia the consummation of full sovereignty over the "protected areas," even if there is no longer any doubt that it has fulfilled all its obligations, nor any question about who is undermining the implementation of the overall plan?

When phrased that way, to be sure, these are textbook rhetorical (indeed, "academic") questions, while the essence lies elsewhere. In the balance of power within the totality of the ex-Yugoslav crisis amphitheater, but even more on the international stage.

While the fracture of lines of force from certain rather remote sources could be sensed even in the first reactions by the world to the Croatian cleansing of the Zadar hinterland of Chetniks, the code was definitively broken by Russian Deputy Minister of Foreign Affairs Vitaliy Churkin through his sudden arrival at Pleso while reports from Novska Gorge were still as hot as the barrels of Croatian artillery guns. Andrey Kozyrev's deputy was unable here to "hide" the fact that for now Moscow is not the least bit pleased by how Dr. Franjo Tudjman has forced Belgrade into Russia's embrace.

Specifically, it does not suit Russia in the least that Serbia is dragging it into its dirty business in the Balkans—because in Washington these measures and elements are being weighed as to the suitability for receiving U. S. aid. But on the other hand, the Croatian president has irreproachably recognized that in the increasingly harmful shadow of events in Bosnia-Hercegovina, the Vance plan in Croatia can move beyond the deadlock only if it is made one of the priorities of the new U.S. Administration. And that in turn is possible only if attention is called to the arena in which it is (not) being implemented and to the field of the increasingly irritating presence of that Balkan entity about whose driving importance there can be no doubt, given the traditional Russian obsession with a warm-water (Adriatic) port! If we insert this premise into the diagnosis of the markedly slowed death of the bipolar world order—because Yeltsin's warding off of the red-black mesalliance with the revival of the "Soviet" geopolitical weight of Moscow cannot excite the strategists of the only remaining superpower—then we begin to sense that Maslenica was in many ways a turning point.

In Croatia's pious-obsequious attitude toward UNPROFOR, in the expectation that the Serbs in the occupied areas will turn their backs on the Chetnik bigwigs and on Belgrade, in the belief that the Serbian barbarism in Bosnia-Hercegovina will elicit a strong response by international factors, and "incidentally" put an end to corrosion of our state by memorandum as well... but also in the candidacy of the Maslenica strike by the Croatian armed forces for the role of agent for returning "Greater Serbia" across the Drina. Because while some commentators read the half-hearted Western threats to Croatia that it withdraw as the fruit of Tudjman's placing our republic in Paris's sphere of interest, others (such as the always lucid Carl Gustaf Stroehm) are also availing themselves of the Russian-U.S. key. Concluding that Croatia warned at the right (and last!) minute that if Serbia remains permanently on this side of the Drina (and Danube), then sooner or later some future Moscow would extend its hand to the most remote point of the common Orthodox empire. Or, caricaturing somewhat, it would shift the Yalta line improperly to the west of the historic boundary between the worlds, which is the only place for it.

Origin of Croatian-Muslim Conflict

93BA0585B Zagreb DANAS in Serbo-Croatian 5 Feb 93 pp 23-25

[Article by Ivan Sabic: "War Began Before the War"]

[Text] *The Croatian-Muslim conflict began when the inhabitants of Novi Travnik halted a convoy of military equipment intended for the then-JNA [Yugoslav People's Army].*

Neither the Croatian nor the Bosnia-Hercegovinian [B-H] media attached much importance to the first serious armed clashes between Croats and Muslims, which took place last May in the Novi Travnik area, probably because they had no real information about the events there, but also because of the conviction that this was an ugly episode in relations between "natural allies" and for that reason should be forgotten as quickly as possible. One newspaper commentary from that time includes the statement that "one day, when powers and passions have calmed down, it will all look like a bizarre episode in a critical historic period for the two nations."

Unfortunately, it turned out that this was not a single episode, but rather an entire series. In fact, the clash in Novi Travnik last May was not even the first episode. It is true that the beginning of the Muslim-Croatian clashes occurred in that region, but it was three months earlier, when workers from Bratstvo and inhabitants of Novi Travnik and surrounding towns halted a convoy of military equipment produced at that factory and intended for units of the then-JNA. This action was joined by both Muslims and Croats, but with essentially different motives. While the primary goal of the former was to effect the payment of their wages, in which they had some sort of support from the Bosnia-Hercegovian government, the Croats wanted to block the further supply of weapons and equipment to the army that had attacked Croatia and that was preparing to dive into B-H.

Two Truths

The B-H Government finally decided to deliver the "goods" to the end user, and then-Vice Prime Minister Muhamed Cengic was given the task of implementing that decision, that is, to convince the rebellious people of Novi Travnik of the rightness of the decision. He had no problems with the Muslim population, but the Croats stuck with their decision to hold on to the halted trucks. Forty young men from the town of Bucic, led by Draga Skocibusic, dressed in camouflage, and armed with Kalashnikovs, alternated in a round-the-clock watch over the vehicles, while at the same time Gen. Andrija Raseta was saying at a press conference in Sarajevo that he had information on the numerical status and equipment of the "HOS [Croatian Defense Force] members" in central Bosnia, and that "the JNA will disarm these paramilitary formations." There was no open fighting between Croats and Muslims at the time simply because only the Croats had weapons.

After every flareup (renewal) of conflict between units of the Army of B-H and the HVO [Croatian Defense Council], each side gives the public its own view of events, blaming the other side in the process. That is why, during the clashes that occurred in Novi Travnik in the second half of October and later spread to Travnik, Vitez, and Prozor, Radio B-H announced that the fighting "began on 19 October because of the death of a soldier in the B-H Armed Forces," which "prompted the command of the armed forces of Novi Travnik to issue orders concerning a blockade of all routes of transportation passing through that city in the direction of Croatia." The radio report went on to say that "in the meantime, HVO units have regrouped their forces facing Novi Travnik and have demanded, in the form of an ultimatum, the surrender of the commander of the opcina defense staff of that city, Refik Lenda."

This last detail from the Radio B-H report is the only one that corresponds to the statements made by HVO officials. Specifically, Ignac Kostroman, the secretary general of the HZ [Croatian Community of] Herceg-Bosnia, says that the command of the Army of B-H was in fact asked to "hand over the main advocate of this conflict, the commander of the TO [Territorial Defense] of Novi Travnik, Refik Lenda, who is a war criminal from Vukovar, a Kosovan, and a 'person' who has publicly boasted of running over Croats in Vukovar with tanks." Kostroman also contends that it all began on 11 October, when soldiers from the Army of B-H shot Stjepan Blazevic, the commander of the Jajce HVO, and Nikola Bilic, the chairman of the Jajce HVO, in the back at a Karaula checkpoint.

Once the fighting abated, Alija Izetbegovic, the president of the Presidency of B-H, sent a letter to President Tudjman by way of BH-PRESS in Vienna in which he said, "HVO units deliberately provoked the clashes in Novi Travnik, Vitez, and Prozor.... The HVO has crossed the line of legitimate defense against Chetniks and begun to undermine the legal civilian authorities and to establish parastate institutions."

At the same time, Muslim intellectuals from Sarajevo, like the government there, were criticizing Croat intellectuals in Sarajevo for refusing to sign open letters to the leadership of the Republic of Croatia and to the leadership of the Croatian nation in B-H, accusing them of having transformed into Croatian nationalists, while the Sarajevo media did not miss the opportunity to observe that the HVO had "abandoned the defense of Bosanski Brod and the majority of the Bosnian Sava basin under very dubious circumstances."

A new possibility for developing theories about the sellout of B-H territory emerged after the fall of Jajce. In connection with that event, the Jajce HVO issued a statement stating: "Despite the hundred thousand shells, the endless, fierce fighting at all lines of defense, and the poor technical and material equipment, the soldiers feel that they would have defended the city if outside aid had been more adequate and timely, or rather if there had

not been clashes between Croats and Muslims in central Bosnia, as the main logistical base for Jajce."

A member of the B-H Presidency, Ejup Ganic, also noted upon the fall of Jajce that it would not have happened if the defenders had not run out of ammunition, which means that those who caused the conflict between the Croats and Muslims were to blame for it. Thus, even if the Croats provoked the conflict, as Izetbegovic alleges in his letter, the Muslims, choosing between yielding to HVO demands and handing Jajce over to the Serbs, chose the latter.

Muslims Against Everyone

The latest clashes between the HVO and the Army of B-H in Gornji Vakuf and Busovaca prompted the president of the B-H Presidency to write yet another open letter to President Tudjman and to assert that the fighting was "provoked by HVO forces in an attempt to implement an order by Minister of Defense Bozo Rajic on subordinating the units of the Army of B-H to HVO command in the territory of Hercegovina and central Bosnia," which hardly comes as a surprise, just as the startup of new conflict comes as no surprise.

Any other course of events would be surprising, because the Muslim leadership has wavered on whether to accept the Geneva accord or openly oppose anyone who supports the solutions contained in it. While the skirmishes in Gornji Vakuf were still in the beginning phase, the Muslim approach was characterized precisely by Dzemaludin Latic, who wrote, "Opposed to an only nominally sovereign and independent state now are the Chetniks, the parastate entity of 'Herceg-Bosnia,' and, unfortunately, UN and EC representatives... It is quite certain that President Izetbegovic cannot sign the proposed partition and that such a division will be reason for a continuation of the conflict by the Bosnian Muslims not only with the greater Serbs, but also with the Croats in B-H."

The Croatian Defense Council has published precise information on the consequences of the fighting in Busovaca. From the first and last names and ages of the dead it is possible to discern that they are Croats, but that not all of them could have been members of HVO units, but rather civilians. (They include, for example, Pero Ljubicic, age 71.) The first and last names of the prisoners have been published, as well as information on the burning of Croatian towns in the vicinity of Busovaca and Kiseljak, including two Catholic chapels, and Dario Kordic, the vice president of the HZ Herceg-Bosnia, alleges that he has photo documentation that confirms all this, and that the atrocities committed against the Croatian population can be proven using it.

Alliance, But with Whom?

Nevertheless, in his letter Izetbegovic contends that UNPROFOR [United Nations Protection Force] has not confirmed to him "that there was any violence whatsoever committed against the Croatian civilian population," and he speaks in detail about everything that HVO units and the authorities of HZ Herceg-Bosnia have done to the detriment of the B-H state and the Muslim nation. Naturally, according to allegations by the Army of B-H.

Still, the most interesting thing in Izetbegovic's letter is the following sentence:

"Bosnia-Hercegovina decided in favor of an alliance with Croatia at a time when it was far more painless to join the stronger side and remain in Yugoslavia." Instead of commentary, we recall that toward the end of October, during the aforementioned events in Novi Travnik, Travnik, Vitez, and Prozor, while discussing a meeting with Adil Zulfikarpasic, Izetbegovic himself said, "He (Zulfikarpasic) believes that things did not have to come to this. And that we should have taken the course of a so-called historic agreement with the Serbs, and that through that the war could have been kept out of B-H. Let us say that that is a possibility. But the question arises of what sort of situation we would be in now. Because there are various types of misfortune. There is war, combat danger, but on the other hand there is also slavery, an unequal position, a position that violates the dignity of the people."

After a cease-fire had been agreed to in central Bosnia, the press service of the Army of B-H issued a statement noting that "the Army of B-H will not allow the fabric of B-H to be torn under the pretence of fighting for national interests, or its fundamental nation to be destroyed." Besides the fact that in this way it is directly interfering in the political life of B-H and proclaiming a viewpoint very similar to the former viewpoint of the former JNA regarding the existence of Yugoslavia, the Army of B-H has already—and thus before the conclusion of discussion of the constitutional structure of B-H—specified the positions of the individual nations in B-H (besides the primary one, there must also be secondary ones), thus eliminating all indecision about the nature of the conflict in B-H. Will the sound of this reach everyone interested in the course of events in B-H, or will the "new Croatian emigration" and the leaders of certain Croatian parties continue to talk about Croatian blame for the suffering of the young state of B-H?

The present-day creators of Croatian policy, including policy toward B-H, said back in 1989—in contrast to the already publicly stated plans to create a Greater Serbia, either independently or within the framework of Yugoslavia, to be created at the expense of Croats and other non-Serbian peoples—that they emphasize the demand for the territorial integrity of the Croatian nation. Good relations between Croatia and B-H and an equal position for the Croatian nation in B-H, as a fundamental precondition for such relations, could be regarded as the fulfillment of that demand. The creation of any state that would include part of the Croatian nation in Greater Serbia or place it in a position of national minority is clearly irreconcilable with that demand.

Herceg-Bosnia Leader on Croat-Muslim Conflict

93BA0585C Zagreb DANAS in Serbo-Croatian 5 Feb 93 pp 24-25

[Interview with Bruno Stojic, head of Defense Section of the Croatian Defense Council of the Croatian Community of Herceg-Bosnia, by Veso Vegar; date and place not given: "Muslim Reserve Variant"]

[Text] *Preparations for the clashes between Croats and Muslims have been long in coming and secretive.*

[Vegar] Mr. Stojic, both sides accuse the other of starting the conflict between units of the Croatian Defense Council [HVO] and units of the Army of Bosnia-Hercegovina [B-H]. Not only the Muslim media, but also political and military leaders place all the blame on the HVO, and as the main reason they cite the order on subordinating units of the Army of B-H to HVO command in provinces 3, 8, and 10. What do you have to say about those charges?

[Stojic] I wish to say that the Croatian Defense Council did not begin this conflict and that there is no reason for it. Moreover, these clashes should not be mystified; rather, they should be discussed openly. They are a direct consequence of different ideas about the constitutional and territorial structure of Bosnia-Hercegovina as a sovereign state.

I maintain that the leadership of the Croatian nation in B-H has from the very outset pursued a consistent policy, a multiparty, realistic policy, a policy of the possible with regard to external and internal factors. On the other hand, the political leadership of the Muslims is sticking with a policy that disregards the most important fact, that there are three constituent nations living in Bosnia-Hercegovina, and that the other two nations will never agree to a unitary state, which is advocated in the form of a democratic, civil state. In that way, an attempt is made to subordinate essence to form. With regard to the Muslim interpretation of the aforementioned HVO decision, it is inaccurate, and its goal was to hide the real causes of these clashes.

The deadline for execution of the decision was prolonged until the conclusion of the Geneva Conference, and fighting broke out in some locations of central Bosnia long before its adoption. In October of last year, Muslim extremists began to dig and pave trenches around Gornji Vakuf, far from their line of contact with the Chetniks. According to the admission of arrested Muslim soldiers, those trenches and other fortifications were prepared for fighting against the HVO. And the very course of the fighting, the number and distribution of snipers in Gornji Vakuf and vicinity, and the propaganda in Sarajevo media clearly shows that this was a long-prepared and well-organized action, the goal of which was to throw HVO units out of this region.

All of this leads us to conclude that Muslim policy has a "reserve variant," and that is to fight for territory using weapons if the option of a civil state cannot be realized. The attack on HVO units in central Bosnia goes together with the attack on attempts by the European and world community to find a peaceful solution to the B-H crisis, and at the same time is of great help to the Serbian aggressor. Specifically, it is more than clear that the world, even if it wanted to, would have a hard time deciding on military intervention against Serbian forces as long as there were clashes going on between Muslims and Croats.

[Vegar] The commanders of some units of the Army of B-H, as well as the media under their control, contend that the Army of B-H is the winner in these clashes?

[Stojic] There can be no winner in these clashes; both sides are losers. In the military sense, the HVO units have captured all dominant tactical points around Gornji Vakuf. Accordingly, they have been able to enter the city itself, but they have not begun destroying the city or killing civilians, but instead are only keeping the Army of B-H forces from engaging in further combat activities. We will never say that we are the winners, and if I were in the shoes of the Muslim commanders and had that many dead, I would immediately resign.

[Vegar] What is your assessment of HVO strength? Besides holding lines of defense against the Chetniks, significant forces have now been involved in fighting with Muslim units as well. Can you hold out on two fronts?

[Stojic] The HVO units are strong enough to protect the Croatian nation in Bosnia-Hercegovina from Serbian aggression, but also from anything else. Even during the greatest fighting in central Bosnia, we successfully held the front against the Chetniks, and at the time we did not even mobilize all the available forces. The HVO is a respectable force and in the opinion of neutral experts it is the best-organized armed force in Bosnia-Hercegovina.

We first took up arms to defend the Croatian nation and its territory, but also Bosnia-Hercegovina as our state, and the Muslim leadership should understand and accept that, so that this second front can disappear and all forces can be committed to defending against the only aggressor, the Chetniks.

[Vegar] The Croatian Defense Council has also been accused of seizing weapons that were going to units of the Army of B-H?

[Stojic] I think that every well-intentioned person knows that the Army of B-H got a large part of its weapons from the HVO, especially at the beginning of the war. For me, the real question is this: How is it that the gentlemen from Sarajevo think that the aid that the state of B-H is receiving is only Muslim, and how is it that this state, our state, is incurring debts for war needs without asking us and while denying us the right to part of that? We are not seizing anything from anyone; we are effecting a distribution, and doing so through persons authorized by

President of the Presidency Izetbegovic. When we objected that the practice of the Army of B-H appropriating everything would not do, they magnanimously offered us 25 percent, with 75 percent for the Army. And the Army of B-H seized military equipment in Opare, near Travnik, about which Refik Lendo could tell the truth.

'Truth' About Country's Weapons' Capability

93BA0589A Belgrade POLITIKA in Serbo-Croatian 1 Feb 93 p 5

[Article by Miroslav Lazanski: "The Truth About Croatian Weapons"]

[Text] *In recent days different assessments by agencies have caused many misunderstandings among the public; what British sources say; it is certain that many high-quality weapons have arrived in Croatia in the last two years; unrealistic articles about the strength of the Air Force.*

What is the truth about the weapons that the Republic of Croatia has purchased abroad in the last two years? How strong are the armed forces of the former Yugoslav republic at this time? How much war materiel did the former JNA [Yugoslav People's Army] leave in Croatia, and thus make it possible for it to equip its emerging army?

There are many speculations, just as there are many facts about arms imports from various parts. Almost all the domestic and foreign sources agree with the estimates of the numerical size of the Croatian Army—after all, these are British estimates—as well as the estimates about its organizational hierarchy.

The differences in the estimates begin with respect to the number of heavy weapons, primarily tanks, artillery, armored transports, and aircraft. For the number of tanks, the differences range from 100 tanks more or less on up; the sources agree on the types of tanks—they are tanks of Soviet origin and production, the T-34, T-54, T-55, and T-72, and the Yugoslav M-84. As far as armored transports and infantry combat vehicles are concerned, the differences in estimates are not large either; some sources talk about 380 of those vehicles, while others reduce that figure to 200, mostly M-80's and M-60's of Yugoslav manufacture, as well as Soviet BTP's and BRDM's.

The Rest Are Orkans

The biggest differences in estimating the size of the Croatian Army's heavy combat equipment exist with respect to the number of artillery weapons: According to TANJUG there are "2,500 weapons for antiarmor combat and more than 820 artillery weapons to support armored and infantry units, and those weapons also include the well-known Plamen and Oganj multibarrel missile launchers, which are also of Yugoslav manufacture." Even though the two best and elite antiarmor brigades of the former JNA simply surrendered immediately at the beginning of the war with Croatia, one in Djakovo and the other in Nasice, the number of antiarmor weapons in the current inventory of the Croatian Army according to TANJUG is nevertheless too large, unless the Zolja and Osa hand missile launchers, as well as the Maljutka missiles, are figured in as "artillery weapons for antiarmor combat."

In that case the figure would perhaps be appropriate, while British sources state that the Croatian Armed Forces possess about 150 artillery weapons. As far as multibarrel missile launchers are concerned, the Croatian Armed Forces possess the 128-mm caliber Plamen and Oganj systems, while six new and powerful Orkan multibarrel missile launchers, with a caliber of 262 mm and a range of over 50 km, were left at the Bratstvo factory in Novi Travnik. Admittedly, those launchers were in the assembly phase, without aiming devices and without missiles, but the Yugoslav military leadership at that time did not even make an effort to try to withdraw those Orkans, which are actually army artillery.

All the world and domestic sources agree that Croatia's Air Force is symbolic, but the number of aircraft varies in different estimates. Nevertheless, it is very likely that at this time Croatia possesses only two MiG-21 aircraft whose pilots deserted from the former JNA. The estimates of dozens of MiG-21's are therefore not realistic. As far as procurement from abroad is concerned, Croatia has certainly ordered both aircraft and tanks, as well as other military equipment.

The routes for weapons, both legal and illegal, are so complicated today that it is almost impossible to control them, so it is not surprising that during the past two years a great deal of high-quality weaponry has arrived in Croatia, primarily from the countries of the former Warsaw Pact. Particularly interesting are the arsenals of the former East German Army, which had the most modern weapons in the entire Warsaw Pact after the Soviet Army. The Federal Republic of Germany promised that in accordance with the treaty on reducing conventional forces in Europe, it would destroy some of that equipment up to the number specified by the agreement. Although the time limit for that destruction has not yet passed, the Federal Republic of Germany has not even started the "scrap iron" operation for numerous tanks and artillery weapons from the arsenal of the former East German army. Admittedly, there is still time for that, but the proverbial German thrift will probably opt for selling the weapons instead of destroying them. The same thing applies to the other countries of the former Warsaw Pact.

Of all the types and branches of the armed forces, Croatia will create its new navy first of all and most easily, because it has been left the infrastructure, ports, anchorages, coastal cannon batteries, the Shipbuilding Institute, experts, personnel.... The ships that the Croatian Navy possesses now are exclusively vessels

captured from the former Yugoslav Navy, either ships under repair at the Velimir Skornik Yard in Sibenik, or pulled up from the sea bottom after being damaged in combat actions (one Mirna patrol boat off Brac Island).

The Croatian Navy's fleet inventory includes one new Cobra-class missile gunboat armed with Swedish RBS-15 missiles (a storage depot with 100 of those projectiles was left in Zrnovica near Split), one Rade Koncar missile gunboat that does not have any missiles (the Soviet Stiks type, which can be obtained on the black market), one Tisa-class pocket submarine, two Soviet Osa missile boats, but without projectiles for the time being (Stiks), two Sersen-class torpedo boats (a Soviet type), five patrol ships (one Mornar type, already worn out, and four Mirna-class boats), one Vukov Klanac ship for anti-mine combat, three larger DTM-211 attack ships, eight smaller DJC-601 attack boats, the oceanographic research ship Andrija Mohorovicic, a Spasilac submarine base ship, and a Krk-class large attack ship, completely new....

What Kind of Future

The Croatian Armed Forces are still in the stage of being created, but with the passage of time along with purchases abroad, as well as the equipping of domestic factories, they will acquire a solid technical base and identity. Their biggest problem lies in the strategy for equipping them: whether to opt for Western technology, which is more expensive and for which more complicated training is required, or to stay with Soviet equipment and technology, which is far cheaper and for which the personnel are already trained. A transition to Western types of aircraft is a very expensive undertaking for Croatia, because the price for a MiG-21 aircraft is up to six times less than the prices for any Western aircraft in the same category, while the MiG-29 is twice as cheap as the American F-14 and F-16. The prices of armored equipment also differ a great deal: the Soviet T-72 tank costs about $700,000, but the American M-1 Abrams costs $3.5 million. To a considerable extent the structure of the Croatian Armed Forces will also be determined by the economic strength of that former Yugoslav republic.

Radic Views Priorities of State Policy

AU2502084293 Split NEDJELJNA DALMACIJA in Serbo-Croatian 17 Feb 93 pp 5, 6

[Interview with Dr. Jure Radic, chief of the Presidential Cabinet, by Jurica Simic; place and date not given: "We Have Had Enough of Such UNPROFOR"]

[Excerpts] Several things caused Jure Radic to come to the very center of the Croatian media's attention. It was quite normal to expect that the election results achieved by the Chief of the Presidential Cabinet, who had been the county's top candidate, would be especially analyzed, particularly in view of the fact that he rarely publicly promotes himself, and that his campaign success or failure cannot be the result of his media success or failure, but only of the quality of the job performed. The Maslenica raid, and the choice of the project for the future bridge, drew much attention to Radic, because he is a coauthor of the chosen project. Perhaps the people are right when they claim that the Chief of the Presidential Cabinet's taking part in such a competition is quite an unusual case, however, is it not also unusual for an engineer to be the Chief of the Presidential Cabinet? The project for the future Maslenica bridge is quite good. However, how good a politician is Dr. Radic?

[Simic] What are the priorities in Croatian policy at the moment?

[Radic] I would say that this is a three-year-period that marks a watershed in Croatian history, and also the end of the millennium in which we were in different ways someone's servants. Now we are going to enter the new millennium, in which we desire, can, and want to be our own masters. In the present course of events, many international circumstances are very desirable, while some are not. First of all, I refer to the breakdown of communism in Eastern Europe, and the aggression of the Serbian national-socialism. Concretely, I would say that the first guideline of our policy is the preservation of every inch of Croatian territory, within its internationally recognized borders. The second guideline is the strengthening and preservation of the new-born unity of all Croats. Third, we want to create a democratic-Christian state according to the standards of European democracy, and we know what this means. These three guidelines are very important. I would not say that we are arrogant, but only that the Croatian state and the Croatian people are aware of their abilities. We are aware that many experts of ours are ranked among the world's best, we know that our country creates an image rarely seen, through the diversity and mutual benefit of its regions. I also refer to the knowledge that with the minimum of his own country's abundance, any smart Croat can soon live at a standard above the European average. We are not the only country that has such an extensive coast, nor we are the only country that is able to produce so much food, but we are one of the few countries that have these two things combined. It is really a unique example in the world that we are approaching the end of the war, with no one in Croatia hungry, and the state owing nothing. I do not claim that the people live in luxury, however, no one is hungry, and I repeat, we do not owe a cent. I beg your pardon, would you, please, find another country that came to the end of a war without being in debt? Croatia has no debts of its own for the first time in 100 years. [passage omitted]

[Simic] What are the priorities of, so to speak, the day to day policy?

[Radic] These are, above all, determining the areas under UN protection, the problem of Bosnia-Hercegovina, and the revival of the economy. These are three basic issues that require very much time and energy, besides, of course, structuring the local administration.

[Simic] You have mentioned the creation of a Christian democratic state as one of the guidelines of Croatian policy. However, not every party, or every man, is orientated toward Christian democracy, and in the regional elections the Croatian Democratic Community [HDZ] lost several large cities, including Split. Will such a result affect the functioning of the state administration?

[Radic] The HDZ won the recent elections. It won in the majority of localities, while on the level of the Chamber of Counties, it achieved almost a triumph. I would not denote it as a defeat for the HDZ, but rather as a victory for some other parties. They will have to show now what they are capable of, which is good. The state has to be led by the most capable people, meaning those who have proved themselves as such. Those people won the trust of the people, and the HDZ did it for the third time. The HDZ won the votes of more cities than it used to have before these elections, and even in Split it won a relative majority. Until now, there were communist administrations in many towns. Now the administrations in those cities will have to be composed of different parties, which might be good training in democracy at lower levels. And it could also be good training in democracy for the local HDZ officials, so that they can study the reasons for losing the elections. In order to win the trust of voters, one has to have strong individuals, because they are decisive elements. It is our task to thoroughly analyze the elections, and to prepare ourselves for further steps.

We Don't Owe Anything to Anybody

[Simic] You have said that we are approaching the end of the war, owing nothing to anybody. Several months ago, a former high official said that we did not even know how much money we owe for weapon purchases. Does your statement mean that this is not true?

[Radic] It is not true. We owe nothing. And even if we do owe, then only to ourselves. What I mean is that purchasing weapons resulted in significantly lower salaries. I repeat, if we owe something, then only to ourselves!

[Simic] The UNPROFOR [UN Protection Force] mandate expires soon. How far have the negotiations on its extension gone?

[Radic] When the Serbo-chetnik aggressor attacked Croatia, we were completely defenseless. Everybody knows how we resisted the aggression. One of the major values of President Tudjman is that he made every Croatian life sacred. The life of every Croatian soldier meant a lot to him, and he tried to save every single one of them. The condition for saving lives, facilities, and the majority of Croatian towns was to consent to the arrival of UNPROFOR troops. The UNPROFOR had several assignments. The first was to end the war, and they succeeded in this. The second was to make the Yugoslav Army withdraw from Croatia. They succeeded in this as well. Thereafter they should have proceeded with disarming the chetniks, reopening communications, establishing Croatian sovereignty, and organizing the return of refugees. For all that the UNPROFOR did not have enough authorization, strength, courage, or will.

After such results, we are not going to endorse the extension. President Tudjman also made it clear in his letter to the Security Council that we have certain conditions for the extension of the UNPROFOR mandate. We demand that they disarm all the paramilitary formations on the occupied territories, make possible the reopening of roads, the return of refugees, and the establishment of Croatian sovereignty. Even if they start fulfilling our conditions, we shall extend their mandate for a very limited time. The contract on the restoration of the mandate, rather than extension, will contain much greater guarantees that the UNPROFOR will really perform its duties. I am deeply convinced that we shall meet this year in Knin. [passage omitted]

[Simic] When could we expect Croatia to sign the new contract with the UNPROFOR? Would it be at the same time as the prospects for the implementation of Vance's plan are examined, or earlier?

[Radic] We are not signing the contract with Serbs, but with the United Nations. We shall demand very serious guarantees that the obligations assumed by the contract will be fulfilled. Besides, we also have to keep in mind that there have been rifts among the Serbs themselves. We daily receive calls from Serbs living in the occupied regions who are willing to cooperate with us, and integrate in the life in the Republic of Croatia. They cannot hold out for much longer. In the majority of the occupied regions they have electricity for only about 15 minutes daily. Actually, it is those 5 percent of extremists that are making problems.

[Simic] It appears to me as a real problem that those 5 percent own artillery.

[Radic] It was up to the international community to dispossess them of tanks and artillery. It is obvious that the action was not conducted properly. The implementation of Vance's plan is the key to restoring the contract with the UNPROFOR.

[Simic] Does that mean that the contract will be signed only after the Serbs are disarmed, that is to say, after the peacekeepers prove that they are capable of performing their assignments?

[Radic] Croatia made it clear through President Tudjman's letter. We clearly stated our conditions. It is important to say that we are now in a position to set terms. Last year we were not in such a position.

[Simic] You have said that there is an awareness of the value of the Croatian people. Together with the UNPROFOR, many people who represent coordinating bodies and organizations came to Croatia. Some of them do not express the usual diplomatic respect toward Croatia as a state, nor toward the Croatian people. Why do we not proclaim these people undesirable, since they publicly question Krajina's being a part of Croatia?

[Radic] There is something that is called backstage diplomacy. It has often happened that the public has been acquainted with one or two words, although there have been more than 20. The establishment of a lawful state also reflects itself through international and diplomatic relations. Is not the case of gold smuggling an example of our lawful state's acting alongside the UNPROFOR and the other coordinating bodies? This example was made public. Soon other things will be made public. One of the past examples is the suspension of the commander of Sector East.

[Simic] Is there a possibility that the Security Council will arbitrarily extend the UNPROFOR mandate?

[Radic] No! Butrus Butrus-Ghali said that himself.

[Simic] The clashes between Muslims and Croats in central Bosnia are not ceasing. Alija Izetbegovic is no longer to be seen so often with President Tudjman. Does that mean that relations between Croatia and Bosnia-Hercegovina have cooled?

[Radic] The problem of Bosnia-Hercegovina has become our political priority. We were among the first to recognize Bosnia-Hercegovina. We were the first to send our ambassador to Sarajevo. We are vitally interested in solving the problem of Bosnia-Hercegovina in a just way, that will permanently guarantee the possibility of living there. We are interested in a solution that will guarantee the peace for the next millennium, and not a decade. Bosnia-Hercegovina is a state that is actually pulled into Croatian territory, geographically speaking. And therefore we are one space. Besides, a large section of the Croatian people live in Bosnia-Hercegovina, they form one of the constituent peoples there, and Croatia has to protect it.

At the beginning of the aggression on Bosnia-Hercegovina, it was only Croats that organized themselves, being supported both financially and morally by the motherland Croatia. The Croatian people resisted the aggression only by its own strength, and managed to free a large part of the territory, thereby preventing Bosnia's becoming a part of greater Serbia. Only later did the Muslim people start to organize their lines. They started fighting the aggression, but one section of them did so in a strange way, and based their activities on some awkward principles. The Croatian people in Bosnia-Hercegovina based their policy on the same principles as Croatia did: to protect every life, and to finish the war as soon as possible.

On the other hand, the policy of President Izetbegovic, whose mandate has expired, is to extend the war as much as possible. He and his people are convinced that they can regain everything by the war, and that it is the only way of solving the Bosnian problem. Croats know that war is a constant option, that is always available, but one has to avoid it. And, this is the point of disagreement regarding the approach to solution. At first Tudjman proposed to Izetbegovic to make an agreement on joint defense and cooperation. However, Izetbegovic claimed that the Yugoslav People's Army were defending them, and that the war in Croatia did not concern him. It was only this summer that he decided to sign the agreement. In Geneva the plan for settling the crisis has been made, by which some provinces are designated Croatian, some are Muslim, and some are Serbian.

In the Croatian provinces, particularly in the Livno-Travnik province, there live a large number of Muslims who want to establish their own administration in some areas. Those Muslims are fighting under the flag of the Army of Bosnia-Hercegovina. In the military structure there must be some hierarchy. There is no such thing as one army controlling one village, and the other army controlling the other village. Therefore Muslims and Croats wanted to unite the military structures in such provinces. The defense minister of the Army of Bosnia-Hercegovina ordered the same thing. However, the Muslim extremists resisted it, and started aggression against the Croatian people. [passage omitted]

[Simic] The public did not have the chance to hear Tudjman's appropriate answer to Izetbegovic's quite harsh and discrediting letter. Why?

[Radic] The letter you are talking about was Izetbegovic's response to Tudjman. We issued the statement by which we denied some assumptions in that letter. We could not afford to start public polemics on such a level. The letter contained many falsehoods, and was indeed rude. [passage omitted]

[Box, p 6]

[Radic] We are not going to build a nuclear power station in Dalmatia. Such rumors are pure fabrications. We shall develop our economy in a way that protects the environment, preserving what nature has granted us. The coastal industry is tourism, and not filthy fabrications.

[Box, p 6]

[Radic] I think that the Serbs will agree on the implementation of Vance's plan. They have to be shown teeth, and they will consent to anything. They will still writhe for a short period, and then they will accept anything. Some of their leaders have already escaped, mostly overseas, because even in Serbia they no longer feel safe.

Commentator Criticizes Ruling Party Policy

AU2502101993 Split NEDJELJNA DALMACIJA in Serbo-Croatian 17 Feb 93 p 10

[Commentary by Tihomil Radja: "Croatia Need To Be Federalized"]

[Text] After it had hastily patched up the administrative-political division of Croatia and in the middle of renewed struggles in the regional elections, the ruling party experienced, instead of the expected triumphant mandate, a significant failure, and this indicates the beginning of the end of its political monopoly. After the February elections, Croatian domestic policy cannot be the same as before. This fact has been publicly admitted by Ivan Parac, leader of the Zagreb branch of the Croatian Democratic

Community [HDZ], when he said that "the time has come to think politically." However, those who have turned a permanent deaf ear to the established arguments of political criticism from now on will have to accept the strength of all the campaign "aces" that the opposition holds. And the sooner the better for Croatia.

The HDZ openly hoped that the elections would result in a three-to-one victory, of course for itself, while the opposition would play the role of a democratic trimming, thereby legitimizing the actual one-party system. This reminds one of de Gaulle's electoral triumph in the 1960's, when Andre Malraux had made his famous conclusion that "between the Gaullists and the Communists there was no room for any other political party." Since then, the Gaullists have been reduced to one-fifth of the French electorate, while the communists have sunk right down to the level of a percentage in single figures. On the eve of the recent elections, some opposition circles in Croatia interpreted Malraux's theory in their own way, which turned out to be an elementary political failure. The politics in Croatia does not work like a computer, which is to say binary, one or the other way, without any third possibility.

And after the February elections, the constitutional position of the ruling party has remained intact on the state level, but it has been seriously damaged in the municipalities and counties, which cannot but influence the general state policy. The organization of local administration and self-government in Croatia is not fully established, either legally or politically. Therefore the struggle between the centralists and the decentralists, the Jacobins and the Girondists, the middle and lower-level authorities, will unnecessarily burden Croatian daily life, in addition to the many other vital problems of the Croatian people. International observers have also expressed surprise at the legal requirement that the President approves, or does not approve, elected county officials. Only the Pope has such a right regarding the appointment of bishops, who are, after all, not subject to elections.

The fight between the "unitarians" and "regionalists" will reach a climax with the question of local financing still intact because without at least partly independent financing, there is no administrative-political independence. With its counterproductive centralistic radicalism, the ruling party has fanned the fire of autonomous tendencies in Istria that will, fortunately, not turn into some new "krajina," for the Istrians, as very pragmatic people, know very well that "playing both ends" pays of best. Under Italy, Istria would "wither" just as Trieste did, while in the decentralized and pacifist Croatia the future seems even brighter and richer.

Some indicators show that this is the way of thinking of some ethnic Serbs, as well, so the task of Croatian policy should be to encourage such tendencies, first by political negotiations and agreements, and thereafter by laws, and not vice versa, as is the present case. In both cases, one has to respect everyone's rights, up to the utmost limit, so that to go any further would be detrimental to others, and to the system. Nationally and culturally homogeneous Austria lost nothing by becoming a federation. Postwar Federal Germany has proved to be in every respect better than old-fashioned, unitarian France. A truly decentralized Croatia would significantly strengthen the regional, economic, cultural, and social cohesion of the Republic, which is really what the state is all about. However, in this field the opposition is in a much better position to take advantage of the necessary political openings than the ruling party is.

The opposition will also have its hands full in the field of denationalization and privatization, which have reached a dead end with the policy hitherto. The end result is brown bread being sold for ration coupons. It is not normal, nor is it profitable, that the state is still the dominant employer, an owner of firms, and the main banker.

The executive authorities cannot just like that give their blessing to the National Bank to print more dinars, which can be more easily weighed than counted. As long as we have "ethnic Albanians on the streets" determining the exchange rate of the Croatian dinar, we cannot speak of our own money as an important feature of state sovereignty. It seems that the sovereignty of the Republic can be seen only from the increase in taxes, that mercilessly affect even the most elementary needs of pregnant women post natal care, while quasi-ideologists of the ruling party shed bitter tears because of the ever lower birth rate, at a time when action should be taken to avoid the creation of new war victims. The tax and customs policies are so short-sighted that they simply drive the people to buy in neighboring countries, which reveals the old Marxist point, that thus "the market is freed of surplus value."

Among the important questions in public life, the opposition should immediately put on the agenda the problem of the media and snoopers. The monopoly of the ruling party in the field of rule by television [telekracija] and "mediocrity" not only hampers authorities domestically, but also harms Croatia's reputation in the world. If not an opposition personality, as in Austria, a skilled and nonpartisan person should take over the management of Croatian Radio-Television. One should also stop subjecting the independent press to state authority, using the excuse of rearrangements. Otherwise, a serious danger will threaten us, namely that international bodies (such as, the EC) will start meddling in the Croatian system of information, which would not do credit to the Republic at all. As for the ever more frequent cases of snooping on and bugging "politically inappropriate persons," the ruling party ought to know that "socialism" also failed because enormous sums of money were spent on finding out what people were thinking, which could have been found out for nothing by introducing freedom of speech.

Bilateral Talks on Relations With Italy Begin

AU2302182393 Ljubljana Radio Slovenia Network in Slovene 1430 GMT 23 Feb 93

[Text] The first talks on future relations between the Republic of Italy and the Republic of Slovenia started at Strmol Castle today.

The members of the Slovene and Italian commissions were greeted by Slovene Foreign Minister Lojze Peterle. The talks about the modernization of interstate agreements and accords regulating the relations between these two neighboring states are conducted by special commissions appointed by Foreign Ministers Lojze Peterle and Emilio Colombo.

The Italian commission is headed by Ambassador Sergio Berlinguer and the Slovene commission by Ignac Golob, recently appointed state secretary in the Foreign Ministry.

Results To Remain 'Confidential'

AU2402080793 Ljubljana Radio Slovenia Network in Slovene 1800 GMT 23 Feb 93

[Text] First talks on future relations between Slovenia and Italy were held at Strmol Castle today. Besides State Secretary in the Foreign Ministry Ignac Golob, who led the delegation, the Slovene delegation also consisted of government adviser Stefan Cigoj and Dr. Borut Bohte, university professor of international law. Our delegation also included Slovene Ambassador in Rome Marko Kosin and senior Foreign Ministry official Eva Tomic.

The six-member delegation of the Republic of Italy was led by Ambassador and state adviser Sergio Berlinguer. The delegation, among others, also included government adviser Dr. Guiseppe Pasqua and professor of international law Natalino Ronzitti.

Both commissions were appointed by Foreign Ministers Lojze Peterle and Emilio Colombo.

The Italian delegation left for Rome this afternoon.

We were provided with no official information about the actual topic of today's talks. We have only learned that the work was conducted in a warm and friendly atmosphere. The public will not be informed about the results of today's talks for the time being, therefore, the talks will retain their confidential nature. That is, the members of the delegations wish to brief the Italian and Slovene foreign ministers and the two governments first about the content of today's talks.

The talks will continue, of course. The negotiating delegations are expected to meet in Rome soon.

Coastal Mayors Urge Demilitarization

93BA0610D Ljubljana SLOVENEC in Slovene 6 Feb 93 p 3

[Article by Vinko Zalar: "Aurelio Juri Is Demanding a Civilian Coast Guard"]

[Text] Koper—During the week after Saturday's presentation of the coast guard detachment and the Blue Seagull, the Slovene Army's sporting sailboat, a political battle has already erupted over this in the Italian and Slovene press. Yesterday's TRIESTE OGGI has news from Koper on the front page: "Koper's 'No' to Military Ships; Mayor Protesting Against the Minister." On a page devoted to Istria, Rijeka, and Dalmatia, the titles explain that Koper opposed Jansa, that the mayor opposed the militarization of the coast that the defense minister was planning, and that the main headquarters of the TO [Territorial Defense] would now be in Ankaran, several kilometers from the Italian-Slovene border in an area designated for a commercial and information center.

In an interview yesterday the Koper municipality's chairman claimed that he was resisting certain pressures coming from the Defense Ministry—for example, Koper's Institute for Social Development has received an assignment to include a 150-meter-long pier for military vessels between the third harbor pier and the green zone before Ankaran. "Probably at least two vessels will be moored there, and I suspect that they will be sailboats," Juri said. "Where can we even house military ships on a 46-kilometer coast?"

The headquarters of the coast guard detachment should not be in the former (now empty) Ankaran hospital either, Juri thinks. That, in fact, was proposed in December at a meeting in the Ankaran local community by Assistant Defense Minister Miran Bogataj. All of this could have been agreed upon somehow, however, he says, if Ljubljana had shown a little more sensitivity. The fact that the coastal communities have adopted declarations on the demilitarization of the coast (at the initiative of the Liberal Democratic Party and with the support of the Party of Democratic Reform) will have to be taken into account when adopting the regional development plans, if not earlier. Juri is thinking of a coast guard modeled after the Canadian one, and he says that that is also how the commission for maritime affairs is thinking of it. It should be agreed upon by the Internal, Defense, Finance, Transportation, and Agriculture (with respect to fishing) Ministries, as well as the Ministry of Environmental Protection and Regional Planning together with the coastal authorities.

Federal

Cosic: Bosnian Airdrops 'Very Risky Undertaking'

LD2402192493 Belgrade TANJUG in English 1842 GMT 24 Feb 93

["Pool" item]

[Text] Bucharest, Feb 24 (TANJUG)—Yugoslav President Dobrica Cosic said that parachuting humanitarian supplies to eastern Bosnia was "a very risky undertaking," and feared "the possible consequences of such a decision" by the United States.

In an interview to the Bucharest daily ADEVARUL given ahead of his scheduled visit to Romania on Thursday [25 February], Cosic said that the new "Yugoslavia welcomes and supports the general orientation of the new U.S. President Clinton for dealing with the crisis in former Yugoslavia...which is healthy and good." He opined, however, that "a greater involvement of the United Nations would be far more to the point and far safer."

Welcoming the agreement of the United States and Russia to join forces in the efforts to solve the crisis in former Yugoslavia, Cosic said it would "be necessary to include also all Balkan states in the process." He stressed that a "further fanning of the conflict in former Yugoslavia might turn the whole of the Balkans into a battlefield."

Cosic went on to say that Yugoslavia "is not against the latest decision of the United Nations to try human rights crimes in former Yugoslavia, including the Federal Republic of Yugoslavia." He said, however, that the only effect of the list of criminals compiled by U.S. former Secretary of State Lawrence Eagleburger and "others of the like persuasion in the world" (on the list are Serbian President Slobodan Milosevic and Bosnian Serb leader Radovan Karadzic) "is to incite hatred against the officials of the new Yugoslavia" (which comprises Serbia and Montenegro).

"We cannot accept such a list also because we shall prepare one of our own, which shall be based on international law and the constitution of the Federal Republic of Yugoslavia," said Cosic.

He said that "allegations of ethnic cleansing and, specifically, of rapes, perpetrated in Bosnia-Hercegovina by Serbs alone, are part and parcel of a psychological genocide campaign being waged against the Serbian people."

He said that "such fabrications are being cooked up according to the Nazi recipe for the fabrication of hatred."

Cosic said that ethnic cleansing in war-ravaged Bosnia-Hercegovina was being practiced by all the three sides to the conflict, without exception—Serbs, Croats and Moslems alike—and protested against the blame being attached to the Serbs alone.

Djukic on Airdrop Decision

AU2402203093 Belgrade Radio Beograd Network in Serbo-Croatian 1800 GMT 24 Feb 93

["Special statement" by FRY Foreign Minister Ilija Djukic for Belgrade Radio—recorded]

[Text] No one should think that Yugoslavia is any way opposed to humanitarian aid in any form, but it naturally matters when and how this aid is delivered. This is in fact where our concern begins. We are talking about the delivery of aid from the air, from the space above the area where the situation is such that no one can ever be sure who could possibly cause a spontaneous or organized incident.

Bearing this in mind we found it necessary to express our concern. We did this especially because the U.S. statement that was given to us two days ago contains a warning that Yugoslavia, that Serbia, that Montenegro, that, above all, the Yugoslav army, should stay out of it, should not interfere in this action. We would not even dream of meddling in this action. However, we are not ready to assume the responsibility for possible incidents that are realistically absolutely possible.

The letter stated that the fact that we warned that the violation of the airspace should not occur, is actually a continuation in its own way, if I may say so, the continuation of our dialogue with the U.S. side, which gave us assurances that there will be no violations of airspace. We appreciate this statement but consider it our duty toward ourselves and the international community to warn that if this did happen there would be a new situation. We are a state, and the Army is the Army. Sovereignty is sovereignty.

General Staff Warns of Dangers

LD2402142493 Belgrade TANJUG Domestic Service in Serbo-Croatian 1248 GMT 24 Feb 93

[Text] Belgrade, 24 Feb (TANJUG)—The U.S. plan to deliver humanitarian aid to Bosnia is a misuse of a humanitarian cause and can lead to an escalation of the conflict in a wider region of the Balkans and Europe, a statement issued today by the General Staff of the Army of Yugoslavia says.

The General Staff statement reads:

"Following the latest developments regarding the crisis in former Yugoslavia and the related decision by the U.S. Administration to finally become directly involved militarily in the civil war raging on the territory of former Yugoslavia, regretfully by exploiting humanitarian concerns, the General Staff has given its assessment of the situation following the U.S. move and

pointed at the consequences, including the possible escalation of the conflict in a wider area of the Balkans and Europe.

"While not disputing the need for constant humanitarian aid deliveries to the civilian population in Bosnia-Hercegovina threatened by the civil war, which have been carried out for a long time without any direct U.S. involvement, the General Staff of the Army of Yugoslavia thinks that the concept and method of delivery of such U.S. humanitarian aid is based on the principle of ethnic selection to the detriment solely of the Serb civilian population.

"In the conditions currently existing in Bosnia, where almost all armed formations are out of control and where people are not discerning about how to achieve their goals, delivering humanitarian aid in such a way is utterly inefficient and extremely dangerous.

"It is fascinating to note the number of lies and falsehoods about the Serbian people being spread in the United States with the aim of deceiving the U.S. public and thus securing silent approval for U.S. military intervention, which will cause further mass killings and even more suffering for the civilians in Bosnia-Hercegovina.

"Regardless of the wishes of some in the international community, the Serbian people cannot commit collective suicide and thus prove its loyalty to the new world order. Serbs have never started a war and they have never attacked first, but they have always known how to defend themselves. U.S. interference in the internal affairs of all countries in the world is assuming increasingly drastic and unbearable proportions in Yugoslavia. It has culminated in the evident ambition for unscrupulous and imperial rule.

"Bearing all this in mind, as well as the real danger which could bring about sufferings for the Serbian civilians in Bosnia-Hercegovina and could spread the conflicts and aggression to the Federal Republic of Yugoslavia, the General Staff of the Yugoslav Army will take appropriate steps in line with a decision of the Supreme Defense Council of the Federal Republic of Yugoslavia.

"There is still hope that the U.S. Administration will stop playing the role of world policeman and will stop sending its uniformed citizens to be killed in parts of the world where the United States has no national interests.

"For its part, the Yugoslav Army has done everything to see that wider conflicts in the Balkans, in Europe, and further afield do not materialize. However, this does not depend on us alone," the statement of the General Staff of the Yugoslav Army concludes.

Air Force Commander on Airdrop

LD2402201793 Belgrade TANJUG Domestic Service in Serbo-Croatian 1929 GMT 24 Feb 93

[Text] Belgrade, 24 Feb (TANJUG)—Colonel General Bozidar Stevanovic, Yugoslav Air Force and antiaircraft defense commander, said this evening at a lecture for reserve army officers in the municipality of Vozdovac that the humanitarian aid airdrop action might turn into a military intervention. Transport aircraft that would deliver the aid, Stevanovic said, are "a big target and an easy prey, because they have to fly low and slowly while dropping the cargo."

"In conditions under which everyone in Bosnia-Hercegovina is armed it is not difficult to understand the real danger of this action," Stevanovic stressed.

International Law Experts on War Crimes Tribunal

LD2402172793 Belgrade TANJUG in English 1559 GMT 24 Feb 93

[Text] Belgrade, Feb 24 (TANJUG)—Yugoslav experts for international law told TANJUG that the Security Council decision to set up an international ad hoc tribunal for war crimes in the former Yugoslavia was legal, but that there was the question of how it would be translated into practice.

They qualified as extremely important the fact that "it does not seem that only one side will be accused" of war crimes, Dr. Konstantin Obradovic said.

"There have to be trials, but the question is how", Obradovic told TANJUG. Obradovic said that "there can be no aberrations" After U.N. Security Council Resolution 808 "because the international community would lose face".

Obradovic, however, said that the prosecution of perpetrators of war crimes in the International Court would be hard to achieve in practice. This is why we must wait for the next Security Council resolution, which will regulate this issue, before we make a more concrete assessment, he said.

Member of the International Committee for Criminal Law Dr. Vladan Vasiljevic also maintains that the concrete prosecution of the criminals in court will be the most difficult part. The Security Council decision should be seen only "through the prism of implementing law and administering justice", Vasiljevic said.

The setting up of an ad hoc court involves too many more difficulties than the setting up of a standing international criminal court, which has begun in 1951, Vasiljevic said.

Vasiljevic cited as open questions the still undetermined source of the court's authority, the kinds of punishment it would be authorized to pass and how the punishment would be inflicted.

Vasiljevic is of the opinion that the issue of the court's interference in states' sovereignty cannot be raised, since, under international law, a criminal must be either extradited or tried in his own country.

President Departs for Romanian Talks on Sanctions

LD2502103993 Belgrade TANJUG in English 1009 GMT 25 Feb 93

[Text] Belgrade, February 25 (TANJUG)—Federal Republic of Yugoslavia President Dobrica Cosic on Thursday [25 February] morning left on a one-day official visit to Bucharest, at the invitation of Romanian President Ion Iliescu.

Cosic is accompanied by Federal Foreign Minister Ilija Djukic and Special Presidential Adviser Svetozar Stojanovic.

Cosic and Iliescu will on Thursday discuss the situation in the former Yugoslavia, the war in the former Yugoslav Republic of Bosnia-Hercegovina, joint problems arising from the U.N. sanctions against Yugoslavia, and other topical issues.

Unions Concerned About Falling Living Standard

AU2402173093 Belgrade Radio Beograd Network in Serbo-Croatian 1400 GMT 24 Feb 93

[Excerpt] The Association of Independent Trade Unions of Yugoslavia is demanding an urgent adoption of the economic-social program and the creation of conditions for the lifting of the sanctions introduced by the UN Security Council. This was stated at a news conference. The standard of living of those who have jobs and the trade unions's objections to the law on enterprises and labor relations were also broached. Miroslav Pisarevic reports:

[Pisarevic] About 60 percent of the 2.3 million employed in Yugoslavia and their families live on the subsistence level and even below it. The majority of the 1.3 million pensioners are in a particularly difficult situation. The situation is untenable and is deteriorating daily. This was stated by Grozdana Miljanovic, head of the Yugoslav Trade Unions. Radoje Kontic, Yugoslav prime minister-designate, was told all this. He promised that the future government of experts will undertake urgent measures to improve the material-social positions of the employed and the citizens of Yugoslavia.

The trade unions demand that the minimum wage be equalized in Serbia and Montenegro, that the minimum wage be fixed at 100 German marks, and that ratio between the lowest and the highest salaries in the country does not exceed 1:3. [passage omitted]

Life of 'Yugoslav Colony' in Cyprus

93BA0589B Belgrade POLITIKA in Serbo-Croatian 1 Feb 93 p 8

[Article by Snezana Bogdanovic: "How the Yugoslav Colony on Cyprus Is Living"]

[Text] *Petar Boskovic, our country's ambassador to Cyprus, explains why Yugoslavs are rushing to that island country; the story about the exploitation of the "wretched young Serbs" is exaggerated; while about 20 enterprises are achieving an annual turnover of up to $200 million, 450 of them are mostly "sleeper" firms; soon a school in the Serbian language and a one-hour radio program broadcast.*

The advertising slogan of one Belgrade tourist agency says, "Let us fly where we are welcome." This, of course, refers to the southernmost coast of the old continent. With respect to the business world, a slogan with similar "dimensions" can be addressed to it: "Let us do business where they respect us."

Businessmen discovered this place a long time ago. This concerns Cyprus. A lot is already known about this island, divided between the Greeks and Turks, whose line of demarcation has been secured by the blue helmets for 30 years now. A lot is also known about how to start a business there. Petar Boskovic, Yugoslav Ambassador to Cyprus, talked to POLITIKA about all this, but also about what life is like for a sort of colony of Yugoslavs there.

Businessmen Arrived Before the Sanctions

"While you go about 100 meters in the promenade in Limasol, you will hear Serbian three times. Today about 1,500 Yugoslavs are living in this European island country with resident permits, but I think that at any given moment that number is higher and reaches 3,000, because there are also a lot of tourists who come, but also businessmen," said our country's ambassador on Cyprus, Mr. Peter Boskovic, who added, "Although there are also those 'businessmen' who have not turned over a single dinar, since they obviously evacuated the country for other reasons, the Yugoslav 'business colony' on Cyprus is nevertheless not a negligible economic factor."

Of the total of 8,500 "offshore" companies and the same number of "offshore" representatives on Cyprus, i.e., those which do business with third countries, Yugoslavs own 500. Only 20 can be said to be alive, however. The others, the so-called sleepers, have a bank account and a post office box in some lawyer's office, and so it is obvious that their owners are engaged in some unrelated business in completely different premises, while those active ones, with about 20 employees each, are achieving an annual turnover of $100-200 million, mostly by trading in a wide variety of goods—from oil to pacifiers, as our interlocutor emphasized.

Why is it that numerous world firms, thus including the ones from our country, have decided to entrust their "business fate" precisely to Cyprus?

"This country has skillfully and systematically made us of its geographic position and the 'remnants' of 80 years of English administration—business habits, the administrative system, and language. Furthermore, the telephone system can be used to communicate with 130 countries in the world without any problems. In terms of

the size of the cargo carried by ships under the Cypriot flag, this country is in fifth or sixth place in world maritime transportation.

"The influx of foreign business, of course, was also influenced by several other favorable circumstances—low taxes, the $2,500 required to start a business, obtaining documents in two or three days, and numerous educated and trained personnel with a knowledge of language and of working on computers. With respect to our people, one should also add the fact that most of them opened their enterprises from the end of 1989 to the beginning of 1990, which means that the residence of those true businessmen cannot be associated with the sanctions that have affected Yugoslavia, nor with emigration from the country," Mr. Boskovic emphasized.

On the Same Watershed of Civilization

Not long ago the newspapers here also wrote about the exploitation of our small labor force on Cyprus.

"That was 'exaggerated.' Supposedly 2,000 wretched young Serbs came, whom someone exploited there. It is true that last year about 60 of our students were staying on Cyprus and attending colleges there, and some of them did work in order to supplement their student budgets," Peter Boskovic explained, and also added, "It is not an immigration country, and the rules on employing foreign labor are very strict, because there is full employment on Cyprus. It is not a country that would have a brain drain anywhere, because in terms of the number of highly educated personnel compared to the number of inhabitants, it is in fourth or fifth place in the world. They were mostly educated in England or the United States. Thus, there are more jobs open for ordinary physical labor on Cyprus."

Mr. Boskovic has already been on Cyprus for four years, so he is quite familiar with conditions there, but also with the needs of the Yugoslav business colony that has been formed there. Our embassy's plans are quite realistic.

"There are already an information center for our people on Cyprus, tourist agency offices, two galleries, and one ethnic restaurant which our people own. Nevertheless, since some businessmen have decided to live there with their families, there is also a possibility of having a Serbian-language school start there and of our getting our own 60 minutes for news on a radio program. Then there could also be more frequent tours by our performing artists."

Our interlocutor explained the great interest of our people and businessmen in Cyprus simply:

"We belong to the same civilized sphere as the Cypriot Greeks, and the ethnic, religious, and cultural watershed that divided the population of this country is now also happening to us," Mr. Petar Boskovic concluded.

Jugobanka Bank Group Reorganizes

93BA0574E Belgrade EKONOMSKA POLITIKA in Serbo-Croatian 18 Jan 93 p 35

[Article by V.Gr.: "Jugobanka—Belgrade: Problems of Division"]

[Text] *The disintegration of the former Yugoslavia inevitably tended to diminish Jugobanka, the only bank whose network covered that large region. Its banking market was reduced. The foreign sanctions especially hurt Jugobanka, because business operation was based on export-oriented firms. Jugobanka is not shrinking solely because of the relations broken off with banks and branches from the "other" (former) republics.*

Branches are also becoming independent and acquiring the status of independent banks and parts of Jugobanka on the territory of the FRY [Federal Republic of Yugoslavia].

After all of that, today the Jugobanka banking group is made up of 10 banks in which it has a majority interest, and then four main branches (Autobanka, Jagodina, Kotor, and Herceg-Novi), as well as two specialized branches. The important question in making the division and drawing up the final balance sheet is inheritance of obligations abroad. A decision has been made to terminate the principle of unlimited liability; it is being replaced by subsidiary liability, which presupposes fulfillment of obligations in the first instance by the bank, and only afterward, when it is evident that it is unable to do that, do the other members of Jugobanka's system become involved, with all the consequences for the principal debtor. However economically justified this decision might have been (for all practical purposes, it turns the bank into a banking group linked together by capital and interests), it has opened up room for autonomy of the parts (the banks) within the framework of the system—the first contacts show that foreign banks are not accepting what amounts to replacement of guarantees of unlimited liability by guarantees of subsidiary liability. Milos Milosavljevic, Jugobanka's general director, interprets the change of guarantee as a move which logically should compel foreign banks in future business to make a good assessment of the soundness of the member-bank of the Jugobanka banking group.

The most topical is the independence of the Komercijalna Banka (Commercial Bank) in Belgrade on the basis of a transfer of Jugobanka's capital to it and a change in ownership relations. It began to gain its independence when it got the business for the UN forces on the territory of the former Yugoslavia, when accounts were opened abroad and when it received a broad foreign exchange authorization by the NBJ [National Bank of Yugoslavia]. Komercijalna Banka would continue to be covered by joint and several liability for transactions dating from when it was a member of the banking group, and it will use Jugobanka's correspondent network abroad as well as its information system.

In this context, mention is being made of the possibility of forming foreign exchange reserves within the framework of the group; the principle of joint and several liability would be activated concerning their use. Milosavljevic says: "It would not be good to dismember the bank without establishing rights and obligations and drawing up the balance sheet of final division." It is interesting that bolstering foreign exchange reserves is also envisaged at the level of the country (the FRY) by purchasing currencies at the commercial rate, whereby the bank would acquire the right to share in the currencies involved in those purchases.

The status of Jugobanka in Kosovska Mitrovica is also changing, because in the proceedings of financial rescue the Republic of Serbia became the majority shareholder (with 60 percent); at the same time, this bank received the business for the development of Kosovo through a portion of the resources of the Republic Development Fund. Jugobanka still holds a 20-percent share of the capital, and another 10 founders hold 20 percent.

When we look at the various republics (states) of the former Yugoslavia, the situation is most favorable in Slovenia. Relations have been worked out with the present A Banka, and the partners are meeting their obligations without delay in keeping with the balance sheet of the final division. And the bank has become a shareholder of Jugobanka with capital invested in facilities and equipment in Belgrade.

The balance sheet of final division was also drawn up with Jugobanka of Skopje, and the capital of the founders transferred to that bank. Obligations abroad are being met in coordinated fashion and covered in keeping with international practice, and at the same time they are not threatening the liquidity of the Jugobanka system.

It would seem that there ought to be the fewest problems with Jugobanka of Sarajevo, because it was first to obtain independent status, and its rights and obligations with the system as a whole were regulated. But the divisions and the war in B-H [Bosnia-Hercegovina] are also tearing apart Jugobanka of Sarajevo itself. Its component in Banja Luka already figures as an independent bank, and it is not certain how much it will be able to control the segments in the regions of Mostar and western Hercegovina. A particular problem for Jugobanka is that large B-H systems (Energoprojekt, Sipad, Unis) are also falling apart, and their obligations to the bank are large. Although it is difficult to talk about a final division within the bank and with it, the founders are calling for transfer of capital to Jugobanka of Sarajevo and Banja Luka. Transfer of capital could be done regularly only if the entity taking over the capital along with the obligations is known, and it is up to those who have claims (creditors) to accept or reject the new debtors.

All relations were severed with the parts of the former Jugobanka in Croatia back in the middle of last year. There are ongoing disputes before foreign courts concerning the obligations abroad (Jugobanka of Split). The problem is that new banks have been established in the buildings of Jugobanka in Croatia, and they have taken over the old assets on the books (receivables), while the liabilities (obligations) were left unsettled and turned over to someone else. The creditors are being evaded, which is the reason for the court suits.

When all is said and done, the capital of the "remainder" of Jugobanka amounted to 52 billion dinars at the end of the third quarter, and following revaluation at the end of the year, this increased to 120 billion. But with the capital invested in the members of the banking group it would rise to 230 billion dinars, whereby the bank takes second place in the rankings. The banking group's profit in the first three quarters amounted to 1 billion dinars, except that complete revaluation of all banks should not be assumed. The rate of revaluation is not the same in all banks, and although this is allowed by the law, it is not the way it should be in principle. Revaluation ought to be uniform. Revaluation was made easier at midyear, when the ratio of the level of interest rates and the rate of inflation changed to the advantage of the former. According to Milosavljevic, the problem is the high interest rates on deposits, because that money can be paid out only in diverse foreign exchange transactions, not by extending credit to cover production: In practical terms, this exerts additional pressure for considerably less expensive primary note issue.

It ought not to be concluded from all this that the entire system of Jugobanka will disintegrate. Interest is being displayed in preserving it with a consolidated balance sheet, especially because of the time after the blockade, when the level of capital and spreading the risk will be important to access to the international financial market. These views are being represented both in Jugobanka of Podgorica and also in the sections of Jugobanka in Montenegro.

Jugoskandik, Dafiment Banks Lower Interest Rates

93BA0574C Belgrade EKONOMSKA POLITIKA in Serbo-Croatian 18 Jan 93 p 29

[Article by V.Gr.: "Jezda's and Dafina's Interest Rates"]

[Text] There has been no spectacular drop of interest rates on savings in the Dafiment Bank and Jugoskandik. Interest rates on foreign exchange savings have gone back to the preelection level: 11, 12, and 14 percent at Dafiment Bank (from 14, 15, and 18 percent, respectively) for terms of three, six, and 12 months, and to 10 percent at Jugoskandik (from 14 percent) for a term of three months and 3 percent for a term of six months—covered by the bank's guarantee in gold. Thus, these two banks still are sticking with interest rates which are the highest in banking (not in fact the highest, because there are savings banks which offer even more).

The drop in the interest rates in these two banks, which by ordinary standards are yielding immense monthly yields on savings, was motivated by the intention of the National Bank of Yugoslavia [NBJ] to arrive at some kind of joint policy in the business operation of banks. A joint policy could presuppose equal interest rates in private and government banks, which in turn would signify application of so-called domicile rates to foreign exchange savings in all of them. The application of domicile rates of, say, 9 percent per annum to DEM [German marks] would result in a spectacular drop of interest rates in those two banks. Here, we should bear in mind that monthly interest rates in them are higher than the domicile rates per annum!

These are not the only reasons for dropping the interest rates on foreign exchange savings. According to the explanations offered by Jezdimir Vasiljevic in a press conference, the conditions for realizing income (profit) out of which the high rates of interest were paid to savings depositors have changed. There are reduced opportunities for the banks to import and carry on trade and thereby realize immense earnings because of price differences. It is evident that there are diminished opportunities for the turnover of capital (savings) from the shortage of gasoline and other petroleum products at gasoline stations opened by these banks. To be sure, the shortage of gasoline, heavy fuel oil, and heating oil at Dafiment Trade and Jugoskandik is not being interpreted by import difficulties and application of foreign sanctions, but by the low and allegedly "unfree" price, as well as by the high turnover taxes (116 percent). But it is clear that those are not the real reasons. After all, the price can be set at a level of DEM1.3 at the current exchange rate, which is the threshold of profitability for conduct of that business, and it was the firms owned by those banks that projected it.

As for speculation that the end has come to the apparently successful business operation based on a mere larger inflow of currency from savings as compared to the outflow, Rade Spasov, vice president of Dafiment Bank, says there is no basis for that. Inflow is still greater than outflow, and to prove that that is really the case, he refers to the long lines in front of the bank's new office where they only accept money for time deposits.

There is some kind of an innovation with the savings backed up with gold as Jugoskandik's guarantee of the deposit's safety (the gold would be purchased from Majdanpek and the NBJ). The interest rates have dropped furthest on this type of savings—to 3 percent per month. Jezdimir Vasiljevic sees nothing unusual about that and says that rates backed up with gold are usually that low. What is more, the gold backing would help to increase the security of investors, which stories about the imminent ruination and flight of owners of the banks abroad are constantly attempting to threaten. But it is certain that interest rates, at least those backed up with gold, have been reduced considerably because of the economic assessment that the profits of the banks can no longer carry easily the burden of the excessively high expenditures to pay interest to savings depositors. Evidence of this is the fact that Jugoskandik is no longer accepting deposits from savers that are larger than DEM250,000 (at rates of 3 percent per month), estimating that there is no room for business that would afford the turnover and realization of the corresponding amounts of profit. This limitation and refusal to accept large deposits is to remain in effect until the sanctions are removed and conditions are created for the turnover of large amounts of capital.

The embargo could be the reason why Jugoskandik's well-conceived project of creating a duty-free zone on Sveti Stefan, with large earnings from commissions of world firms which were to become established there—cannot be carried out for the moment. That is why the government of Montenegro has rescheduled Jugoskandik's current obligations related to the purchasing of Sveti Stefan (the total purchase price over five years was $570 million). Vasiljevic says that he is not giving up on owning Sveti Stefan, announcing that there will be resistance to the pressures of workers dissatisfied because promises of high salaries have not been fulfilled.

As for Dafiment Bank, it is proving its soundness not only with gold bars (it is not actually using them, because it says there is no problem with liquidity) and the reserves which could be the basis of payments for "a rainy day," but also with the announcement of business moves such as introducing interest on regular savings accounts (sight accounts), the opening of current accounts and giro accounts, including the bank's securities in futures trading, and negotiated interest rates.... Dafiment Bank is thinking about no longer paying the tax on the interest instead of the individual.

An effort is being made to solve the problem of the large crowds and lines in front of this bank, so that many savings depositors are unable to withdraw their deposit or interest on time, by stepping up the introduction of their unified computer information system and then by expanding their office space, and there are also organizational innovations here, for instance, about scheduling a date, when the deposit is made, for savings depositors to withdraw their interest (deposit) or roll it over.

The dropping of interest rates on savings, accompanied by the suggestion that this is not the end, also has a broader political dimension. It represents a response to the "appeal" of the governor of the National Bank of Yugoslavia for more moderate interest rates in the banking industry. It is clear that this is not an ordinary appeal, because the governor is announcing termination of relations with banks concerning primary note issue if they do not accept interest rate policy. The near future will show what impact this has on private banks which are said not to have relations with the National Bank and primary note issue.

Pricing Dispute Between State, Drug Industry

93BA0574A Belgrade EKONOMSKA POLITIKA in Serbo-Croatian 18 Jan 93 pp 16-17

[Article by V. Dukanac: "Medicine: Shortages Again"]

[Text] For years now, with varying intensity to be sure, the basic problems pressing upon Yugoslavia's pharmaceutical industry have come down to the problem of permanently controlled and depressed drug prices, the problem of collecting their domestic claims, and the problem of furnishing the foreign exchange to import raw materials for the drugs it supplies to our health service. This industry, which manufactures a modern assortment of pharmaceuticals, is "accustomed to the negation of economics in this field," says Miodrag Babic, director of Hemofarm, "it has been adapting as best it could, and it knew how much room in which it had to move. The general external and domestic economic difficulties put an end to the room in which this industry had to move and sublimated its individual problems. A short time after the three-week October boycott of drug deliveries, drove its guild association to undertake once again a general war against the government, letting the public and the citizens know that unless their demands are met, in the future they can look only to the competent ministries for medicine.

"We have really tried hard," Babic said, "during all this time, depending on the conditions, to supply the market an enviable pharmacological assortment to meet present-day world standards." This is perhaps best confirmed by the fact that the domestic pharmaceutical industry, for all the difficulties, during last year alone, even in response to a government initiative, organized the production and launched on the market nearly 200 new parallel drugs which in one way or another had not been arriving. "But our future production has today been put in jeopardy," says Srdjan Kamenkovic, director of Jugoremedija in Zrenjanin at this grouping's press conference last week, adding: "We are no longer able to iron out our internal difficulties with better export results, and these depressed drug prices have put us in a situation where we are eating up our own assets." Radomir Stojicevic, president of the Pharmaceutical Industry Grouping and director of ICN Galenika: "We simply do not have the right to allow ourselves to be destroyed by our own government, because more than 15,000 workers earn their living in the manufacturing and distribution of drugs." This horrible arbitrariness of the government, for whom it is considerably cheaper to provide us foreign exchange to import raw materials than to purchase the drugs ready-made, simply can no longer be understood or explained, Miodrag Babic says.

"If we just look at the methodology by which the Federal Ministry for Trade approves price increases, then it is all clear," says Radisa Gacic, director of Panfarma. "After all, the main element taken is the official statistics on the rise of prices of industrial products, whose average is brought down by the products of those industries which disappeared in the very first months of the blockade, because half of domestic industry is not even operating," Gacic continues, adding: "Then our right to purchase foreign exchange at some stable exchange rate is carried over from quarter to quarter, and prices are given approval as though the money is in circulation, as though we have already received it." Even today, that is, the mark is calculated at an exchange rate of 670 dinars in setting the prices of drugs. At the same time, you have a situation today, as it was put by Sinisa Vuksanovic, director of Medifarm, a Belgrade drug wholesale house, where absolutely no one except the pharmaceutical industry, the large drug wholesalers and the Pharmacy Institution delivers any goods without being paid in advance. In these horrible times of inflation, we are the only ones in the country extending credit to that health service, waiting to be paid as much as a month with no interest being added. Medifarm alone has in effect placed itself at the service of the people in that way in the amount of more than 2.5 billion dinars. That situation, Vuksanovic believes, is simply not tenable any longer, because it will destroy the large drug wholesalers without whom complete and regular supply of the health service is impossible. And Branko Radovic said at a separate press conference that drug distributors are for the second time in a situation of suffering because of unsettled relations between the pharmaceutical industry and the government. But once again they are supporting the justified demands of this industry.

Taken all in all, the Pharmaceutical Industry Grouping, it was decided, will stick by the following demands: First, that the prices of drugs be raised an average of 160 percent; second, that collection periods longer than seven days not be tolerated without application of penalty interest; and third, that goods will no longer be delivered to delinquent payers. Because in the meantime the federal ministry has already forwarded to its government a decision raising the prices of drugs only 53 percent, that means that this industry's open warfare with the government has begun. Only exhaustive negotiations and a halting of drug deliveries are to come. So, it is obvious that the most certain thing of all is a new wave of serious shortages of drugs on the domestic market. The bill and all the consequences of that situation will again be paid and endured by the segment of our population that is ill.

Serbia

Prime Minister Views Economic Policy, U.S. Decision

AU2402163893 Belgrade Radio Beograd Network in Serbo-Croatian 1400 GMT 24 Feb 93

[Report by Marinela Raznjatovic report on press conference by Serbian Prime Minister Nikola Sainovic in Belgrade on 24 February]

[Text] The task of the republic government is to do everything under the current, difficult conditions and to

use its potential to help the citizens. The republic government will not in fact make any classic package of measures partly because of the sanctions and partly because of the uncertainty in the international community, Prime Minister Sainovic said. One-third of products of vital importance whose prices have been under government control will remain under control in the future, except that this time this control will be with everyone's consent. The goal of this is in fact to establish the responsibility of everyone in the chain of production and supply, firms' management boards, and appropriate ministries.

Sowing is of prime importance at present. Everything will be done to carry it in the best possible way within a set period of time. Regarding the credit-monetary policy, Prime Minister Sainovic was categorical that in the next 15 days this domain will be put in order. This refers to the dinar and foreign exchange payments and payments operations as a whole.

The path of cash is clear, and this can be controlled, just as can the primary issue of money. We have, or rather we must have correct documentation about this.

Regarding foreign currencies, Sainovic explained that they are in the domain of the National Bank of Yugoslavia, but it was the Serbian Government that has come with the initiative that the official and gray [siv] exchange rates be harmonized. The fact is that production cannot be significantly increased while sanctions are in effect, but, as Sainovic said, one cannot wait for the blockade to be lifted. One should do everything possible under the present conditions. This primarily means inducing the section of the economy that was not affected by the sanctions too much. A center for business information will soon be formed for this purpose. The center should provide all information on the current demand.

As the Serbian Prime Minister stressed, all decrees, measures, and initiatives are in line with the moves made by the Federal Government, and thus one cannot talk about any prestige or clash.

In a reply to a question what he thought about the U.S. President's decision to airdrop humanitarian aid, Prime Minister Sainovic said that the Republic of Serbia supported Clinton's plan for finding a solution in a peaceful way. However, the decision made yesterday came as surprise because it contradicts the original plan. The move involving low flights is not the best way toward peace, Serbian Prime Minister Sainovic said at a news conference for domestic and foreign reporters.

Sainovic Expects Inflation To Diminish in March

LD2402191993 Belgrade TANJUG in English 1757 GMT 24 Feb 93

[Text] Belgrade, Feb 24 (TANJUG)—The Serbian government's anti-inflationary measures might begin to yield results already in march, Premier Nikola Sainovic said on Wednesday [24 February].

The Federal Republic of Yugoslavia, which comprises Serbia and Montenegro, ended last year with a record annual inflation rate of 19,810 percent.

In a talk with reporters, Sainovic said a regulation was taking effect on Wednesday which was placing under state control one-third of vital products.

On his appointment as Serbian premier earlier in February, Sainovic said his government's economic policy would focus on reviving production, combatting hyperinflation and stimulating economic growth.

He explained that the package of measures released by the Serbian government on Monday had "no ambition to solve all problems at once, because conditions for this do not exist, but to make possible the functioning of the state in all sectors."

Priority has been given to measures aimed at regulating the flow of money and monetary transactions, and their effects should be felt within the next fortnight, specified Sainovic.

He added that the republican government, in cooperation with the federal authorities, was preparing measures for consolidating the federation and coordinating a common economic programme.

Yugoslav Federal Premier-designate Radoje Kontic is due to announce the composition of his cabinet and its programme on March 1.

Economists Discuss Methods To Finance Production

AU2402175693 Belgrade Radio Beograd Network in Serbo-Croatian 1400 GMT 24 Feb 93

[Text] Thanks to the funds from the primary issue of money, firms in the metal industry have been revived and have been working at 50 percent of their capacity, in some places even 70 percent. Work has been secured for two-thirds of workers. Good results have also been achieved in the construction industry. The textile, footware, and leather industry also expect a financial injection. Lidija Marko-Nedic reports from a session of the Presidency of the Economic Chamber of Belgrade.

[Marko-Nedic] The financial injection granted to the metal and construction industries at the end of last year has achieved good results and revived production. This is the conclusion of the Economic Chamber of Belgrade. In the first quarter of this year, the funds should also be directed to the production in the leather, textiles, and footware industries. It is estimated that these branches could start selling their goods during the first quarter of this year. The money invested is worth 34 percent of the value of total production. The realization of the planned

production of agricultural goods for this year requires the production of fertilizers to be financed from the primary issue of money.

The view of Petar Vasiljevic, director of the Beobanka, which was behind the entire project, was particularly noted during the discussion. He stressed that a halt in production would lead to a collapse from which we will not be able to emerge. He also said that the remaining production capacities should be financially induced to produce goods that can be sold. Without production, we will not have anything to buy, despite printing money, Vasiljevic said.

The new government must solve the problem of liquidity, the director of Yugo Banka, Marko Steljic, said. Otherwise, the bank will (?pay out its creditors) and close its business.

Jovan Mileusnic, director general of Jugohemija, wondered about effects of printing money, because with the present pace, we will have 1 million percent inflation in a few months time. Production is not being revived in the correct way. The primary issue of money is only starting a new generator of inflation. We should introduce measures to curb public spending because everything is already in the state of economic nonsense, Mileusnic said.

Today's discussion in the Presidency of the Economic Chamber of Belgrade is only one in the series of discussions about primary issue of money that will be held in other chambers in the future.

Report Views Tense Situation in Sandzak

AU2502080593 Belgrade BORBA in Serbo-Croatian 22 Feb 93 p 5

[Report by Z. Prijevic: "Rasim Ljajic Is Asking for Blue Helmets To Come to Sandzak"]

[Text] Priboj—Although three days have passed since the tragic event in the village of Kukurovici near Priboj, there is still no official information on what really happened. Priboj radio first reported that in an attack on this village by unknown persons five Muslim houses were set on fire and one person was killed.

According to Smajo Polimac, the chairman of the SDA [Party of Democratic Action in Bosnia-Hercegovina] Priboj branch, three persons died, one was injured and five or six houses were set on fire in the event, which occurred around 1730 local time on Thursday [18 February]. He said that the persons killed were Musan and Sabaheta Husovic and Uzeir Bulut. Apart from that, he said, Senad Kadic, resident of the Priboj commune, was kidnapped and is still missing.

The village of Kukurovici belongs to the Priboj commune and lies on the junction of the borders of Serbia, Montenegro and Bosnia-Hercegovina, that is to say on the border between the communities of Cajnice, Pljevlja and Priboj. The population of the village is mixed. Most of the Muslims, however, moved out of the village last autumn, only older people stayed in the village.

Smajo Polimac said that the border to Bosnia-Hercegovina is practically ethnically pure now, adding that in the villages of Sjeverin, Kukurovici, Batkovici, Zabrdje, Milanovici, Medjurecje, and Zivinice there are no longer any Muslims, or they have remained there only in small numbers. He asked the official institutions to carry out an investigation and find the culprits as soon as possible.

Rasilj Ljajic, SDA secretary general for Sandzak, held a news conference on this occasion. He informed the reporters that he asked the UN Secretary General Butrus-Ghali to immediately send blue helmets to Priboj, Prijepolje and other places in Sandzak in order to protect the endangered Muslims there. He accused paramilitary formations of ethnic cleansing and said they were supported by the present system. He said that the situation in Priboj and Prijepolje is much worse than in Hrtkovci. He stressed that they expected help from the international community, which should protect the Muslims from extinction. "If blue helmets [UN troops] do not come, the Muslims of Priboj will move out completely," he said.

Professor Zoran Cirkovic, DEPOS [Democratic Movement of Serbia] member to the federal parliament from Priboj, condemns each act of violence on people, especially if it is inspired by chauvinistic blindness.

He said that they expected the Yugoslav Army to secure the border to Bosnia-Hercegovina in order to prevent the conflict from spreading to Priboj, which is the most sensitive of all border communes in Serbia at the moment.

The representatives of the federal parliament visited Priboj on Saturday [20 February], the representatives of the CSCE permanent mission with its office in Novi Pazar, and the representatives of the Movement for Peace and Harmony from Sjenica are expected today.

A group of Muslims gathered in front of the communal Assembly the day before yesterday, but, apart from that, it has been quiet in town. During the weekend no incident was reported. The police of Priboj received reinforcements, so that more policemen have been seen in the streets of Priboj.

Sanctions Impact on River Transport Company

93BA0581B Belgrade EKONOMSKA POLITIKA in Serbo-Croatian 25 Jan 93 p 16

[Article by D. Nedeljkovic: "Who Is Bypassing the Danube"]

[Text] *Last year the Serbian Government promised that it would finance the construction of new ships, but so far nothing has even been started.*

There are more and more indications that the main transportation flows, both European and also intercontinental ones between Europe and Asia, will bypass Serbia and the Federal Republic of Yugoslavia [FRY], whether it is a question of airports, the railroad, or roads, to which one should also add oil pipelines, gas pipelines, long-distance powerlines, PTT [postal, telephone, and telegraph] communications, etc. River transportation is an exception; the Danube cannot be bypassed. The international shipping route along the Danube—and soon the Sava should also be declared an international river—and about 600 km of that route through Serbia, remain a natural advantage that is gaining in significance. This is not just because of the fact that more and more goods will gravitate toward river transportation, as it is cheaper, and that the volume of transportation will increase, but also because an age-old dream was put into operation last year—the Rhine-Main-Danube Canal.

There are few people even among experts, and especially among officials in the Serbian government, who understand the role and significance of the Danube as a transportation route. It is a sort of curiosity that after the two decades that the Djerdap hydroelectric plant has been in operation, it is being noted that the Danube was underestimated in terms of energy during its designing. Yugoslav River Shipping [JRB], a firm that has been sailing the Danube for more than 130 years, and its director Dusan Strugar, obviously view the Danube differently, not just as an international transportation route and a chance for their own development, but also as a political argument during the blockade (fees for the passage of ships, the maintenance of vessels, and even a possible ban on shipping). Without going into the debatable idea of using the Danube for political purposes, it is worth noting that JRB has been prevented from operating by the embargo and that it can scarcely wait for the "lifting of the sanctions."

Last year JRB did not fulfill its transportation plan, i.e., 66 percent of the plan for 3.2 million tons of freight was fulfilled. If one knows that at the end of 1991 JRB's ships were brutally expelled from the upper Danube, and in the middle of last year from the lower Danube as well, with the imposition of the sanctions, it can be considered a great success that last year ended without losses. The enterprise's financial result is favorable, although there are still no official data from the final account. In this regard one should bear in mind the data from previous years, because JRB did over 90 percent of its business in the foreign market. With respect to one detail the blockade was even welcome—the funds in accounts abroad have been frozen, or rather, saved for future investments.

And investments are essential for this enterprise. The cutting off of the oil pipeline and the return of oil to the Danube also "convinced" the Serbian government that it had to build and renew the fleet. A program was developed last year, and decisions that the government would participate in financing the construction of new ships were adopted, but nothing has even been started yet. JRB has 30 ships and 214 vessels with a capacity of almost 300,000 tons, but these are mostly vessels that are worn out and soon to be written off. This is one of the significant reasons (there are more, naturally) for the recently adopted decision on JRB's transformation into a stock company with mixed ownership, as well as the decision on issuing shares in order to increase the capital. According to the technical indicators, the enterprise's value has been assessed at over $108 million, and it is among the most valuable ones in Serbia.

The shares will be issued this year in three rounds, and only the first one, with the least nominal value, will be intended for the enterprise's employees, at a discount. JRB hopes that the transformation will succeed, and that the buyers of the shares will be interested. The potential buyers include constant customers like the oil industry, steelworks, Jugometal, ports, Progres, and other well-known firms. It expects that foreigners will also appear as buyers of shares as soon as the UN sanctions are lifted, especially since it has not lost a single transaction, and it has not received a single refusal from foreign firms; it has only been temporarily prevented from working abroad.

Zastava Automaker Plans Further Layoffs

93BA0574B Belgrade EKONOMSKA POLITIKA in Serbo-Croatian 18 Jan 93 pp 17-18

[Article by M. Simovic: "Automobiles: The Real and the Possible"]

[Text] The statement by Zivodrag Prokic, director of Zastava Automobiles, that as early as this June all the parts and assemblies for the passenger cars from Kragujevac, which until Yugoslavia's disintegration were manufactured in republics that have now become independent, will have been substituted, sounds a bit unreal. In practice, this means that the entire previous industrial cooperation with firms in Slovenia, Croatia, and even Macedonia and Bosnia, is mainly being installed on the territory of Serbia. In order to give his statement particular weight, Prokic presented arguments to the effect that the sheet metal for the automobiles had been put into production in the Smederevo Steel Mill, that a number of metal-working firms in Serbia had so to speak completely mastered production of parts for the first installation, and the only issue still remaining unresolved is that of organizing production of the dashboard for the Florida, which is now being worked on, and solutions are anticipated by the end of this June. Among the uninformed, such a statement evokes an optimistic outlook; however, there remain certain other facts which must be borne in mind if one is to measure its value and authenticity.

What is that kind of substitution supposed to mean, mere preservation of the program and the firm, or is it beginning to make room for the conviction that quite significant results can be achieved in an autarkic economy? In 1991, Zastava manufactured 96,600 passenger cars (Kragujevac) and 5,572 special vehicles

(Sombor). Last year, output fell to 24,000 (2,000 were exported before the blockade was imposed), and this year "plans call for the production of 40,000 cars, that is, 1,500 a month," which is less than the actual daily output at one time. If we add to these figures the fact that Zastava was designed for an annual output of 250,000, with underutilized capacity in certain parts of the factory even at optimum output, for example, in the machine shop, then the picture of the factory's real situation is rounded out. More precisely: If we set the value of installed equipment against the projected output for this year, at least two things are evident: First, that production will be taking place at frighteningly low productivity, an unacceptably low level of economy, and necessary worker layoffs, and second, the production of automobiles exclusively for the domestic market (Serbia and Montenegro) suggests a decline of quality and renunciation of market expansion and development in general. As far as development goes, we should recall that the large world manufacturers set aside at least 6 percent of gross annual income for that purpose, while even in its best time Zastava barely set aside slightly more than 1 percent. It is no wonder, then, that Rodoljub Micic, general director of Zastava D.D. [joint stock company], says: "Without the intervention from republic funds to pay wages and salaries, the situation would have been much more difficult." So, with about 3.2 billion dinars an effort is being made to provide a certain number of workers (1,300) a "transition to another status," which can conceal only temporarily the fact that in the quite near future Zastava Automobiles must lay off more than half of its present work force of 16,000, because, put simply, there is no work for them. According to some analyses, even after the sanctions are lifted, the automobile producer in Kragujevac will gradually work up to an output of 100,000 vehicles a year, but it will not need more than half of its present work force for that kind of output.

Within the framework of the objective—saving the firm and the program—the buying up of foreign debts, which amount to slightly more than $120 million, has also been projected. Between $11 and $13 million have to be obtained for that operation, because the debt is quoted on the world money market at the rate of about $.11 on the dollar. Does the buying up of the debt, even on the assumption that money is found for that transaction, signify that the foreign partners are leaving Zastava and that then it will close down? The question is, of course, valid only insofar as it suggests an attempt to defend against possible consequences if it is found that Zastava is unable to meet its obligations to foreign creditors. Will the projected phase of the factory's survival achieve in fact the anticipated result? It is well-known that there are many, above all, in Zastava's management, who are ready to answer in the affirmative without hesitation. However, on the other side there are experts who say that it is already in deep water from which it cannot extricate itself without a combination of many circumstances, from providing very large amounts of money to revitalize production and then opening the markets for imports and exports to reestablishment of a firm chain of quality producers of auto parts who will be able to ensure continuous production. In any case, the calculation with which Zastava is operating—for example, that monthly output of 600 cars is needed to meet legal obligations and salaries—only indicates an attempt to ignore the real state of affairs.

Situation in Bajina Basta, 'Refugee Town'

93BA0583A Belgrade POLITIKA in Serbo-Croatian 31 Jan 93 p 8

[Article by Branko Pejovic]

[Text] Bajina Basta, 30 Jan—Modestly dressed newcomers with darkened faces joined the end of the line in front of the entrance to the one-story building of the Red Cross in Bajina Basta. In single file, they make a column, which snakes through the open gate all the way to the street. With eyes cast down and concealing their impatience and travel fatigue, they waited to be entered in the already lengthy records, obsessed with pictures of the homes they left behind on the other side of the Drina, the members of their families, relatives, neighbors who had been casualties.

No sooner would one enter the cramped room than two more would join the end of the line. Again, two would go inside, and newcomers would add to the end of the line. Thus, from 0700 hours until the late evening hours there is a permanent crowd in front of the door of the Bajina Basta Red Cross, whose activists told us that when they come to work in the morning they take off their coats out in the yard so that in the press, which is like that in a streetcar, they will not lose them as they try to get through to the entrance.

Since last St. George's Day, right after the first rifle was fired "there over the Drina," refugees began to arrive in Bajina Basta. First a few hundred, then a thousand, and then, in proportion to the outbursts of hatred and the desire to destroy the Serbs in Bosnia, that number has been increasing steadily. Toward the end of the year, the Red Cross recorded the 5,000th refugee, little suspecting that because of bloody Saturday, 16 January, they would in a short time receive more than 1,300 new unfortunates from the villages at the foot of the Skelani hills.

"Bajina Basta has some 10,000 inhabitants, yet it has received about 7,500 refugees, some registered, some not. They say that this is the highest per capita of all our cities," explains Ljubinko Radojcic, president of the opstina Red Cross, a volunteer working night and day to help the unfortunates. "The last wave of those who arrived from Skelani and environs seems never to end, although we have been expecting it any day. For almost two weeks now between 100 and 120 people, most of them women and children, have been reporting daily. We do not accept males between 18 and 60 capable of serving in the military."

After the refugees are duly registered, their path usually takes them to friends, acquaintances, or relatives in Bajina Basta. Accommodation is usually in private homes, with rare exceptions. Only a few, with no one anywhere, are sent to the Hotel Vrelo on Peruc for dormitory-style accommodations, where about 170 refugees have now been sent.

"In the Red Cross, we try to come to everyone's aid to provide food, clothing, shoes, things we have been able to collect," Radojcic continues. "The skirmishes in the war have been sudden, many barely got out alive and reached here with only what they were wearing. The other day we were visited by a representative of the High Commissariat for Refugees of the United Nations, and international aid came with 13 trucks loaded with the most necessary things. We distribute family packages to all those who register, and in addition we also give them flour—today, for example, we distributed nearly 13 metric tons of flour. New boots, a jacket are also found for some so that they can bear this cold weather more easily."

Nor are the enterprises here and those from outside lagging behind in their humanity. They are sending packages and money, they are asking what is needed. Recently, two shipments of drugs sent from the Red Cross to the Health Center arrived from our countrymen abroad. This is a repayment of Bajina Basta's solidarity shown at a time when the people of Krajina needed it the most. About 100 tons of food and various commodities were sent from here at that time to Knin, Korenica, and Kostajnica. Much more than has been sent by some of our considerably larger cities.

While we were talking to the personnel of the Red Cross, four of whom are working here at the moment, and, they say, they never work less than 12 hours, and sometimes work even 17 hours a day, the newcomers seeking help follow one after the other. Warm human words are found for everyone, the attention and advice so much needed, and quite often even a moment to listen to someone else's bitter story. In recent days, they have really heard a great many such stories here.

"I need only to see a woman in black with tears in her eyes and bent over with pain to know what she has suffered and what she has lost," says Nada Ivanovic, secretary of the Red Cross. "It is also hard to watch a man cry, and one told me through tears how the Muslims took away his wife and 17-year-old daughter, and slit the throat of his brother, who suffered from paralysis. He asked himself: 'Who is raising a hand against my brother in that condition?' and added, simply not believing his own words: 'Perhaps it will be better to find my wife and daughter dead. I do not even dare to think about what those criminals will do to them.'"

The woman we interviewed also experienced an unexpected meeting while she was working. As she was registering a newcomer, she asked him where he was born. "In the village Obajgora, in the house of Milovan Jovanovic, where my parents fled during the last war," he replied. So it turned out that Nada Ivanovic, whose maiden name is Jovanovic and is the daughter of Milovan of Obajgora, was the one in the Red Cross to receive the adopted brother she had never come to know.

The stories multiply and get repeated, and the crowd of newcomers thinned out in front of the entrance.

Population Protected in Good Time

Everything that has happened in recent days and is happening on the territory of the Serbian villages on the left bank of the Drina has altogether altered the everyday rhythm of life in neighboring Bajina Basta, on which the inhabitants from "across" have always relied and in which a sizable portion of them had realized their only earnings. Much of what is in the city, almost everything, began to function under wartime conditions.

Ever since the first shell fell within the city limits, on the morning of 16 January, and another three weeks have passed since then, fortunately without major consequences except for minor property damage, necessary steps were taken here to protect the security of the population and vital facilities.

First, summons were sent out to units of the Uzice Corps, which is responsible for this region, and to forces of the MUP [Ministry of Internal Affairs] to take defensive action and to respond to the Muslim threats against our territory. The development of the wartime situation, which, we were told by Milos Mandic, president of the Bajina Basta Opstina Assembly and at the same time director of the hydroplants here, is gradually calming down, was greatly aided by the arrival of units of the Army of the Serbian Republic on the territory of Skelani and their successful counterstrike against Muslim positions.

"We immediately agreed to limit the operation of bars and restaurants and public institutions to 1800 hours and to pay additional attention to securing public facilities, and that is in effect even now," Mandic says. "We also decided to propose an extension of the vacation for schoolchildren to 1 February, which the republic education minister made official. At the approaches to the city, transportation patrols regularly check who comes in and leaves Bajina Basta in order to avoid trouble. People have a great many weapons, there are several 'armies' and all kinds of units, so there is caution lest some of them turn out not to have good intentions."

The opstina's leader assessed the initial reaction of the public to the Muslim attack as "bearing up well under the situation," although, as these things go, there were also those who immediately wanted to flee the city. These were mostly individual refugees and also the young males fit for military service, who were so brave that they want to run as soon as a shot is fired. The situation, however, has sorted itself out in some fashion,

and people are gradually getting accustomed to occasional gunfire and the muffled thunder of cannons somewhere off in the hills on the other side of the Drina.

"As the local self-government, we undertook everything to get our bearings under these conditions in spite of the pronounced inflow of refugees, who in any opstina, regardless of how near the war is, would create an emergency situation," Milos Mandic said. "It is certain that we ourselves would have a hard time making ends meet were it not for the valuable aid and good cooperation we have received from the competent ministries of the government of Serbia, with whose support in the form of additional quantities of fuel, drugs, humanitarian aid, and money we have managed to stay in operation. In these moments, even the economy is operating somehow, with the exception of a few collectives hurt by the sanctions, and I particularly emphasize the example of the Bajina Basta Hydroplant, which last year generated nearly 2 billion kilowatt-hours of power and entirely fulfilled the plan that had been set. It will be clear what kind of success that is when I say that it operated under extremely difficult circumstances, with military operations taking place in the immediate vicinity, the hydrological situation was bad, and the safety level of the storage reservoir had to be constantly maintained, which the plan had not envisaged at all."

The observations of Miloje Savic, president of the Executive Committee of the opstina Assembly, related to the evident disruption of the balance sheet of opstina revenues and expenditures, resulting, of course, from the immense increase in all kinds of costs that have occurred as a consequence of the current situation, are also worth attention. According to him, only now is it evident how important the revenues from tourism were to this region, which now, quite logically, everyone bypasses.

"The principal activities in the public life of our local community have been subordinated to the needs of the army and police in this territory," Savic says. "Our enterprises gave them at least a dozen Lada Nivas to use, and in time they were worn out, they were given accommodations, and units were put up in the town and villages. We are giving all this unselfishly and we are not sparing, because we managed to preserve our territory with the help of the army in the first place."

The head of the opstina government emphasized that the people of Bajina Basta have up to now not complained to anyone, always trying to solve their problems themselves, to put up with the worst, just like everyone in Serbia, but now a serious time has come when without the help of the republic they will not be able to support the horrible burden that has been piled onto this community.

"Bajina Basta is one of the Serbian cities in which the prices of all goods are unusually high," adds Miloje Savic. This occurred because in the 1960's and 1970's many workers were employed here building the hydroplants and there was a lot of money in circulation and a shortage of goods, and so prices rose. That has persisted until the present time. The workers have gone away, but the high prices have remained. For example, kajmak is so expensive here that it pays to go to Valjevo or Kosjeric to buy it, and then if you buy it for a good price, to sell it in Bajina Basta and make some money.

Kosovo

Arkan Reportedly Purchases Bozhur Hotel

AU2402191893 Tirana ATA in English 1312 GMT 24 Feb 93

[Text] Tirana, February 24 (ATA)—Bozhur, the most expensive hotel in Fushe-Kosovo, was put to auction recently at 23,000 marks. The Albanians were not allowed to take part in this auction. Zeljko Raznjatovic, who settled in Kosovo, as executor of the Belgrade anti-Albanian policy is interested in buying it.

He appeared first in Kosovo last December and standing beside Slobodan Milosevic [Serbian president], he submitted a speech that moved the Serbs when he swore that he is an enemy of Albanian infants. He is elected deputy of the Belgrade parliament for Kosovo, although the Albanians boycotted those elections.

This offspring of Belgrade, nicknamed Arkan, is an ordinary criminal chased by the police in some European countries since 1981 and is charged with violence, stealing, and keeping arms without permission. In the first report of the Commission for War Crimes in Former Yugoslavia, submitted to the UN secretary general, Zeljko Raznjatovic, he is charged with crimes committed in Croatia and Bosnia in association with the Tigrat [Tigers] notorious group run by him. His inspirers call him the symbol of the Serb terror, Rambo, fighter of Orthodox religion against the agents of the Vatican and Islamic integration. He asked the foreign correspondents to film and take pictures of the crimes his premilitary troops committed in Bijeljina, kicking the victims. Arkan, like Vojislav Seselj, chairman of ultranationalist Serb party [Serbian Radical Prty], is charged with executing people without trials.

His tigers, the French newspaper LE NOUVEAU QUOTIDIEN writes, are very active in the ethnic cleansing in Oercko [name as received], in the north of Bosnia, where he had ordered the execution of 3,000 Moslems.

While the European police looks for him, the Serb deputy, at the height of his terroristic activity, aims to be owner of the Bozhur of Kosovo, not caring who owns it.

Agani Requests Reopening of Schools, University

AU2402192693 Tirana ATA in English 1127 GMT 24 Feb 93

[Text] Tirana, February 24 (ATA)—As the Information Center of the Democratic League of Kosovo reports, Dr. Fehmi Agani, leader of the Albanian delegation in the

10th round of talks for the normalization of the Albanian education in Kosovo, said that Serbia wants to take the independence once had Kosovo in the field of education and other fields. [sentence as received] This is unacceptable, Mr. Agani said. In the name of the delegation of Kosovo, he asked that schools and universities there should reopen and then let the talks on constituent question continue. In a word, there is almost no change in the stand of the delegation of Kosovo. The Serbian party considered as maximum concessions its proposal at the 10th round of talks. But in reality there are no concession at all. The chairman of the Naim Frasheri League of Albanian Teachers, Rexhep Osmani, said that there is not room for any eventual fraud from the alleged concessions Serbia offered in the latest round and which it may still offer in other rounds. The talks will reach the point where they should have started, that is, in the competences in the field of education in Kosovo. Like in other cases, Serbia wants to reach its aims through small concessions and great violence, Rexhep Osmani said.